# Daily Report

# East Europe

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24 June 1993

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*FBIS-EEU-93-120* *24 June 1993*

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## Meetings on Bosnia Held in Geneva 23 Jun

*LD2306210793 Zagreb Radio Croatia Network in Serbo-Croatian 2000 GMT 23 Jun 93*

[Report from Geneva by Tihomir Vinkovic]

[Text] Talks between Thorvald Stoltenberg and Lord Owen, cochairmen of the conference on former Yugoslavia; Dr. Franjo Tudjman, president of the Republic of Croatia; members of the Bosnia-Herzegovina Presidency, and Slobodan Milosevic, president of Serbia; ended late this evening.

The cochairmen first met the members of the Bosnia-Herzegovina Presidency, who—according to my information—did not have authority to make a decision. Afterwards, Owen and Stoltenberg had talks with Presidents Tudjman and Milosevic in the Le Saugy villa. According to Lord Owen, the talks with the two presidents discussed constitutional arrangments for Bosnia-Herzegovina, and it was proposed that all three constituent nations in Bosnia-Herzegovina discuss maps soon. Lord Owen again met the members of the Bosnia-Herzegovina Presidency after the meeting with the two presidents.

A joint meeting was then held between President Tudjman, the members of the Bosnia-Herzegovina Presidency, Slobodan Milosevic, Stoltenberg, and Owen. Details of these talks have not been disclosed.

Talks between representatives of the Croatian authorities and the Serbs from the UN-protected areas in Croatia and cochairmen Owen and Stoltenberg also ended this afternoon.

Owen's proposed agenda on the extension of the UN Protection Force mandate in Croatia and on a cease-fire was not discussed because of Serb proposals; the Serb delegation urged that the European group for minority rights be excluded from the talks, which the cochairmen rejected. The EC will persevere in the implementation of the Vance plan for Croatia and the UN resolutions.

Both delegations had separate talks with the deputy cochairman [words indistinct] about procedural issues. The talks will resume tomorrow.

## Bulatovic Optimistic Following Talks

*LD2406011993 Belgrade TANJUG Domestic Service in Serbo-Croatian 2218 GMT 23 Jun 93*

[Text] Geneva, 23 Jun (TANJUG)—This evening, after the Geneva summit, Montenegrin President Momir Bulatovic told Yugoslav journalists that the talks were comprehensive but that he could not comment on details, not because of any secrets or plots, but because of the conflict in the field. For this reason, stressed Bulatovic, it would be advisable to leave room for wisdom and reason.

In Bulatovic's assessment, it is significant that Owen and Stoltenberg exerted maximum efforts to try to realize which elements of the Vance-Owen plan no longer reflected reality and which elements should be built in.

Bulatovic thought that there was room for optimism after the second round of talks.

Regarding the FRY's position in the international community, Bulatovic said that Yugoslavia had been unjustly condemned. "We have always stood for peace. We are the mediators who wish to contribute to efforts to find a just solution that would not be to anyone's detriment and that even less so would favor a particular side," said Bulatovic.

"By actively participating in the negotiatons, we are contributing to peace and paving the way to the gradual re-admission of the FRY into the international community," Bulatovic concluded.

## Milosevic Makes Statement

*LD2406010893 Belgrade TANJUG in English 2334 GMT 23 Jun 93*

["Pool" item]

[Text] Geneva, June 23 (TANJUG)—Serbian President Slobodan Milosevic said late Wednesday night, following a tri-partite meeting in Geneva, there was more optimism on the road to peace in the former Yugoslav Republic of Bosnia-Herzegovina now than ever before.

He told newsmen at the end of the second Geneva Serb-Croatian-Moslem summit that there was a much higher degree of understanding at this time than in the previous talks between the three sides. In his view, all the talks' participants have shown more readiness to acknowledge reality, than was the case thus far.

He assessed that there was a higher level of concreteness in the latest talks of the principles and appoaches defined last week in the first round of tme Geneva talks, something, as he said, that could only be interpreted as encouraging.

At the renewed peace talks on Bosnia-Herzegovina last week in Geneva, as part of the international conference on the former Yugoslavia, the Serb-Croatian proposal on division of Bosnia-Herzegovina into three national communities on confederal principles was presented.

The three sides in Bosnia-Herzegovina, Milosevic pointed out, must resolve mutual misunderstandings on the principles which gained support in these talks. "I think there is no other way and that this is the right way to reach peace as soon as possible," said the Serbian president.

A greater portion of the talks, as he said, was devoted to the maps dividing Bosnia-Herzegovina.

Referring to the decision by Bosnian Moslem leader Alija Izetbegovic not to come for talks in Geneva, Milosevic warned that anyone who wanted peace, if he was sincere, must negotiate.

Instead of Izetbegovic, seven members of the rump Presidency of Bosnia-Herzegovina attended the talks.

There are no legitimately elected representatives of Bosnian Serbs in this presidency.

Adhering to the accord of all the talks' participants not to make public the details and content of the negotiations, Milosevic gave only an assessment of the Serbian-Croatian-Moslem summit in Geneva on Wednesday.

## NATO Consultative Group Session Ends

*AU2306085693 Sofia BTA in English 2049 GMT 22 Jun 93*

[Text] Sofia, June 22 (BTA)—The meeting of the NATO Consultative Group on Atlantic Policy, chaired by NATO Assistant Secretary General for Political Affairs, Mr. Gebhard von Moltke, and attended by representatives of the North Atlantic Cooperation Council countries, ended here today.

The participating heads of departments and agencies concerned with foreign policy planning discussed regional security problems and possible measures to contain the Yugo-conflict. The exchange of views was limited to the political aspect of these problems, Bulgarian Deputy Foreign Minister Todor Churov told journalists. No military aspects of security were discussed, since in keeping with the nature of the consultative group, the discussions are on an individual basis and do not commit the governments.

Today Mr. von Moltke had talks with Bulgarian Defense Minister Valentin Aleksandrov. Later in the day he delivered a lecture before members of the Atlantic Club.

## WHO Holds International Meeting on Drinking Water

*AU2206191093 Tirana ATA in English 1016 GMT 21 Jun 93*

[Text] Tirana, June 21 (ATA)—The World Health Organisation held a five-day international meeting in Tirana to review the qualitative content of the drinking water. This meeting was held in Albania according to the decision adopted by the World Health Organisation last September in Geneva.

Opening the first session of the meeting, the Minister of Health and Environmental Protection Tritan Shehu thanked the invited specialists, representatives from all the continents, for the organisation of this meeting.

Working groups made detailed analyses, such as the elaboration of the most specific data on the drinking water of various regions of the world and the defining of the main recommendations.

The foreign specialists of this meeting represent Great Britain, Thailand, Sudan, Costa Rica, France, Lithuania, and Albania. Also attending are representatives of various international organisations, such as the Commission of the European Community, the World Bank, UNICEF, etc.

## President Berisha Views Balkan Situation

*PM2306144093 Stockholm SVENSKA DAGBLADET in Swedish 22 Jun 93 p 4*

[Interview with President Sali Berisha by Richard Swartz in Tirana; no date given]

[Text] [Swartz] Mr. Berisha, you have recently proposed that the United Nations should station soldiers in Kosovo to protect the Albanians there against Serbian excesses. What makes you think that Belgrade would ever agree to such a proposal?

[Berisha] It could also happen without Belgrade's approval, as when the United Nations sent troops to Somalia or Korea without asking for permission. As things stand, the United Nations already has observers in Kosovo; the thrust of my proposal is that many more people should be sent and instead of observers they should be soldiers in uniform. But the intention is not that they should shoot and kill Serbs. It is the security of the people who live there that I want to see guaranteed.

And once the troops are in place—in practice, a large number of soldiers from NATO—Serbia will not declare war on them. It does not have the power for that. Nor any moral arguments.

[Swartz] Serbia has shown itself to have enough power to occupy almost three-quarters of Bosnia and it does not look as if anyone can get the Serbs to withdraw.

[Berisha] That is true, but not because Serbia is a superpower, but because those who should intervene are divided. Their common enemy disappeared with the disappearance of communism; and it is not always that easy to immediate identify a new enemy.

The Serbs themselves are the first to understand that the rest of the world overestimates their strength. As soon as they are put under pressure they give way. Without pressure they make no concessions at all. But it will gradually become clear that a Greater Serbia is not exactly a contribution to stability in the Balkans. If I am not mistaken there has never been a Greater Serbia either, regardless of what the Serbs claim. Only for a few short years in the Middle Ages; a kingdom where war always ruled, not peace.

[Swartz] So you have imagined Kosovo as a UN protectorate.

[Berisha] Yes. Of course, this would not be a solution to the problem itself, but only a way of preventing continued oppression of the Albanians there. A genuine solution to the problem can only take two forms—either a democratic Serbia, or a Serbia which is punished by the world. As Iraq was punished.

[Swartz] But we have already seen in Bosnia that the rest of the world is not ready for punitive expeditions in the Balkans. It prefers to negotiate and make use of economic sanctions.

[Berisha] Up to now all the negotiations have been totally without result. And the sanctions? They are possibly a better weapon. But it would be naive to think that the sanctions would make the Serbs give up as much as an inch of land in Bosnia. There is so much talk of the catastrophic economic situation in Serbia, but I do not believe it very much. Serbia is a rich country, a country whose agriculture is well developed. And it is a rural society—time and time again the city of Belgrade rebels against Milosevic and every time it ends in defeat.

Why? Because rural areas have no interest in this struggle for democracy, because the discontent in Serbia is exaggerated abroad, because Milosevic is still popular! He has won people's support with his nationalism. I will defend you, he says, I will unite you in one large family. Such promises fall on fertile ground.

[Swartz] And not even tougher sanctions would have any effect?

[Berisha] I find that very difficult to imagine. The truth is that Serbia has not yet suffered as a result of them. And let us be honest: The determination to respect the sanctions resolution is not particularly widespread. Serbia is getting what it needs from all sides.

[Swartz] President Milan Kucan of Slovenia thinks that the situation in Macedonia is more explosive than that in Kosovo.

[Berisha] I think that he is right. Macedonia is in even greater danger. Milosevic thought that he would have finished his work within three or four weeks; then it would be Macedonia's turn. He had been hoping that, in the best scenario, Macedonia would be so impressed and alarmed by his lightning victory in Bosnia that Skopje would of its own volition ask to merge with Serbia.

Instead Milosevic got bogged down in Bosnia. And now the situation is much more complicated than it was. If the world does not find a solution for Bosnia, we are likely to have a new war soon between Croatia and Serbia. A sort of mini Balkans war, much more terrible than what we have seen so far.

[Swartz] How could the war be exported to Macedonia?

[Berisha] That is easy. There are many ways. There is a Serbian minority already there. It could be used in the same way as Milosevic made use of the Serbs in Bosnia.

[Swartz] When you meet Albanians in Macedonia you hardly get the impression that they wholeheartedly support their new, democratic state; it has after all a large Slav majority. They seem to be looking more to Kosovo and Albania, in the hope that the chance of a Greater Albania will surface.

[Berisha] I believe that a majority of Albanians, here at home and abroad, support my view that no borders should be altered by force. Among all the Albanian parties that exist there are only two which have a Greater

Albania on their agenda—one here and one in Kosovo. Neither of them has the support of the voters.

As far as the Albanians in Macedonia are concerned, I believe that you are wrong. They have seats in the parliament, they support President Gligorov, they are members of the government. They know what a fateful effect it would have if they were suddenly to withdraw. But they will not do that. I think this because you have to say that they accept their share of the responsibility for the new state.

On the other hand they do have the right to criticize it for not yet giving them all the rights they can demand as citizens. I am thinking of better access to education and to the mass media, of greater representation in public administration, of better protection for the Albanian language.

[Swartz] Do you believe that Bulgaria has abandoned its traditional claim on Macedonia? After all Sofia still refuses to recognize the existence of a Macedonian nation.

[Berisha] But Sofia has no territorial claims at all. For my own part I am quite convinced that Sofia only wants stability here in the southern Balkans. Just as we do, the Bulgarians need peace first and foremost in order to be able to consolidate their market economy and democracy. The democratic Bulgaria has pursued a wise and considerate policy toward Macedonia. The fact that Sofia cannot issue a statement recognizing a Macedonian nation is probably chiefly linked to certain historic reasons, to a mentality which lives on in older generations.

[Swartz] Nevertheless it has been demonstrated how easy it is in the Balkans to breathe life into old myths and what you call the mentality of older generations. Are you not afraid that Balkan nationalism in various forms will wreck all democracy and the market economy?

[Berisha] The Balkans are a mosaic of different peoples, that is correct. They are the cradle both of an admirable culture and of throwbacks which no longer belong in our age. Milosevic has exploited these latter to force his policies on the Serbs—chauvinistic policies which I am certain they do not want.

I do not want to make light of nationalism as a problem, but I do not think that it will be as devastating as many people believe. The states in the Balkans are quite small; we need to cooperate with each other. And people here understand that we have no future without a market economy and democracy. Many people understand this, and those who do understand are certainly in the majority.

[Swartz] Clearly not in Serbia, if I have understood you correctly.

[Berisha] Milosevic must be defeated. That is the first prerequisite for change in Serbia. It is not possible to have a democratic state and a dictator at the same time.

[Swartz] What do you mean by "defeated"?

[Berisha] Defeated in the strict sense of the word. In a way that we know from history.

[Swartz] It does seem to be taking time, however.

[Berisha] Yes. We will probably have to be patient for a while yet.

## Decision Adopted on Import-Export of Medicines

*AU2206203093 Tirana ATA in English 1029 GMT 22 Jun 93*

[Text] Tirana, June 22 (ATA)—Recently ATA reported that the Ministry of Health and Environmental Protection was concerned regarding the burying of 60 tons of expired medicine brought into Albania in the last two to three years. In this regard, the Ministry of Health and Environmental Protection confirms as follows:

Beginning with 1991, Albania has been supplied with drugs in form of government aid from many states. These drugs have contributed to overcoming some of the difficulties Albania is encountering in this period of transition.

The drugs have been administered by the main state institutions.

At the same time, many humanitarian associations, such as Red Cross, Caritas, God Loves Albania, and others, proceeding from the desire to help Albania, have sent to Albania medicines, which have not always been good regarding their quality and expiration date. Consequently, a part of these drugs have not been used. So far, there are about 6 tons of drugs to be buried.

In order to control the entry of medicine into Albania, at the proposal of the Ministry of Health and Environmental Protection, the Council of Ministers adopted a decision on the regime of import-export and production of medicines.

According to this decision, all state, private institutions, or various associations cannot import drugs or other medical supplies without the approval of the Ministry of Health and Environmental Protection.

The customs houses will not allow any contingent of medicine to enter Albania by any institution, individual, or association, if they do not have the respective licence.

### Berov Assures FRY of Noninterventionist Stance

*AU2306182093 Sofia BTA in English 1716 GMT 23 Jun 93*

[Text] Sofia, June 23 (BTA)—Bulgaria's position in favour of nonintervention in the Yugo-conflict has been known for a long time, Prime Minister and acting Foreign Minister Lyuben Berov says in a letter to Radoje Kontic, chairman of the Federal Government of the Federal Republic of Yugoslavia (Serbia and Montenegro). The letter was presented to the Embassy of the Federal Republic of Yugoslavia here at the Foreign Ministry today. The Foreign Ministry's Press Office released the letter to BTA.

Bulgaria favours putting an end to the conflict in Bosnia and Herzegovina and starting a reasonable political dialogue, in which Serbia and the Serbian community will play the decisive role, the letter also says. It stresses the developments in the former Yugoslavia have a disastrous effect on the warring sides, on the Serbian people, as well as on the Bulgarian minority in Serbia.

The UN sanctions against Serbia and Montenegro have had a disastrous effect on the Bulgarian economy. Under the circumstances it is imperative for this country to seek a way to overcome or be compensated for the aftereffects, one of the possible steps being to ask for a transit transport passage through Serbia, Mr. Berov says in his letter to Mr. Kontic.

Finally, Prof. Berov expresses serious concern over the potential danger of destabilization in Kosovo and the Republic of Macedonia.

### Parliament Approves New Cabinet

*AU2306183693 Sofia Khorizont Radio Network in Bulgarian 1800 GMT 26 Jun 93*

[Text] At the National Assembly session today structural and personal changes were made in the Council of Ministers.

The National Assembly adopted a resolution to transform the Ministry of Education, Science, and Culture into two ministries: a Ministry of Science and Education and a Ministry of Culture. Marin Todorov was relieved from the post of minister of education, science, and culture; Neycho Neev from the post of minister of transport; and Lyuben Berov from the post of acting foreign minister.

In a secret ballot, the National Assembly elected the following ministers by 126 votes to 84 votes: Stanislav Daskalov, as foreign minister; Kiril Ermenkov, as minister of transport; Ivaylo Znepolski, as minister of culture; Marko Todorov, as minister of science and education; and Petur Kornazhev, as minister of justice.

After the result of the ballot was announced, Stefan Savov, chairman of the parliamentary group of the Union of Democratic Forces [SDS], declared that the group would boycott the plenary sessions as a sign of protest and would only take part in meetings of parliamentary commissions and in the voting on certain laws connected with dismantling the totalitarian communist system. The SDS deputies voted against the cabinet changes because, in their view, they were the result of shameful bargaining inside and outside parliament, and this government, in their opinion, is communist and will be controlled by the BSP-K [Bulgarian Socialist Party-Communist].

### BSP To Support Berov Cabinet Changes

*AU2206201393 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 22 Jun 93*

[Text] The Executive Bureau of the BSP [Bulgarian Socialist Party] and the leadership of the parliamentary group met today to discuss the BSP's attitude toward the forthcoming cabinet changes, the tendencies and processes under way in the Union of Democratic Forces [SDS], and the activities of the parties defending law and order and the Constitution.

According to [BSP leader] Zhan Videnov, the changes proposed by Prime Minister Lyuben Berov should be supported. The BSP has demands only concerning certain structural changes; in particular, it asks that an institution be formed to monitor and control the economy and foreign trade.

The meeting adopted a decision for the BSP to openly participate in all actions in defense of the Constitution and law and order in the country.

### President Zhelev Views Macedonia, Serbia

*AU2306070493 Sofia BTA in English 1944 GMT 22 Jun 93*

[Text] Stockholm, June 22 (BTA)—"Bulgaria, being a neighbouring country, finds it hard to take a stand on the conflict in the former Yugoslavia. We are trying to implement a policy of active neutrality and of non-involvement in the conflict under any circumstances," Bulgarian President Dr. Zhelyu Zhelev told the influential Swedish daily SVENSKA DAGBLADET in an interview.

"Everybody in the Balkans is historically encumbered," the president observes, adding that if the build-up of "bitter feelings is unleashed, a new Balkan war would be inevitable."

Asked about the existence of the so-called "Macedonian nation," Dr. Zhelev gives the following answer: "There is a political and a historical aspect to the Macedonian question. The recognition of a nation is an absurdity. You don't recognize a nation, it either exists or does not exist. We do not call into question the self-determination of the inhabitants of Macedonia. We do have a lot in common, in terms of history, language, religion, culture, but this does not make us claim that they are Bulgarians. In the same way, they have no right to say what we are.

It should be remembered that historically, the Macedonian nation was created by the Comintern."

Elaborating on the situation in Serbia, the interviewee outlines three possible scenarios: "First, Milosevic together with the generals and the former Communists may impose a military dictatorship. Second, popular discontent may plunge the warring factions into an open conflict, which could escalate into civil strife. Third, Milosevic may direct the popular discontent towards Kosovo."

The only chance is to stop Milosevic, Dr. Zhelev says, emphasizing that the world should have intervened a year and a half ago.

### Podkrepa Calls For Early Elections

*AU2306124593 Sofia PODKREPA in Bulgarian 18 Jun 93 p 2*

["Address of the Confederative Council of the Podkrepa Labor Confederation," issued in Kyustendil on 17 June]

[Text] Confirming, as a result of exhaustive analysis, the results of fulfillment of the program declared by the Government of the Republic of Bulgaria in February 1993;

Noting that society's trust in this cabinet has been exhausted, despite the fact that the cabinet has obtained parliamentary support;

Declaring its support for democratic constitutional order and the democratic institutions in Bulgaria;

Bearing in mind the evident inability of the 36th National Assembly to elect a competent, efficient government capable of solving Bulgaria's socioeconomic problems,

Opposing the manifest recommunization evidenced in the restoration of former and present communist cadres to key government posts;

And establishing the evident bankruptcy of all the parliamentary and extraparliamentary political forces, which have brought the country into complete chaos and are incapable of assuming responsibility for the country, the Confederative Council of the Podkrepa Labor Confederation declares as follows:

1. The only democratic solution to the catastrophic situation in which Bulgaria finds itself is to hold early parliamentary elections within a reasonable period.

2. The only way to elect a new, responsible parliament that expresses the nation's interests is to adopt an electoral law based on the majority electoral principle. Only then will National Assembly deputies be elected who are worthy, highly ethical, and competent individuals.

3. Podkrepa calls upon all the democratic forces to assist in adopting such a law through a nationwide referendum.

4. Podkrepa instructs the Confederative Council of the Podkrepa Labor Confederation to set up a working group to prepare the confederation's structures to take part in the forthcoming elections.

For the Confederative Council of the Podkrepa Labor Confederation,
Dr. Konstantin Trenchev.
Kyustendil, 17 June 1993.

### Lower Inflation Rate Expected in 1993

*AU2306120093 Sofia BTA in English 1059 GMT 23 Jun 93*

[Text] Sofia, June 23 (BTA)—The head of the Price Statistics Department of the National Statistical Institute (NSI) Velichka Rangelova was quoted by today's STANDART NEWS as saying that the inflation rate in the first four months of the year was higher than in 1992, while May inflation was 5.3 percent in 1993 and 11.9 percent in 1992, and its aggregate influence on the first five months of 1993 was 3.8 percent down from January-May 1992. In another article contributed to the same daily, she says that as from January 1, 1993 the NSI has been working out inflation according to an improved method.

STANDART NEWS writes further on that Bulgarian statisticians are optimistic about the average annual rate of inflation.

Mrs. Rangelova believes that the mark-up of fuel and electricity prices has yet to influence inflation. Their secondary effect is expected in September, October and November. So far enterprises have not yet paid their heat power and electricity bills according to the new rates and they are not included in producer prices.

Experts expect this year's inflation to be lower than last year's because prices and hence the inflationary pressure ease in December, STANDART NEWS writes. At the end of the year companies are selling their goods on a mass scale because the tax authorities do not acknowledge subsidies in the case of excessive inventories. According top NSI experts' predictions, end-1993 inflation will not exceed 65 percent—provided that the government does not raise heat power and electricity prices any further and the prices of goods and services in the sectors where the state monopoly still dictates producer prices, such as transport, telecommunications, etc.

### Prime Minister Klaus Criticizes EC Stance

*AU2206175493 Prague CTK in English 1900 GMT 18 Jun 93*

[Text] Crans, Switzerland, June 18 (CTK)—Czech Premier Vaclav Klaus has accused the West of slamming its doors on Eastern Europe and called for a clear message on trade liberalization from next week's European Community summit in Copenhagen, the news agency REUTER reported today.

The Eastern world really expects something from the summit, Klaus told a conference here dealing with East European topics.

First, we expect a clear message about the future, a clear message on what will be done. We expect at the same time some concrete measures which will be done in the near future as regards liberalization of trade, Klaus said.

The removal of EC trade barriers, affecting about 40 percent of East European goods, and a clear sign on when negotiations on joining the EC can begin are the two rallying cries of the former COMECON states, Klaus said.

REUTER reported that Klaus crossed swords with EC Commissioner for Taxation and Consumer Affairs Christiane Scrivener over what he described as protectionist measures taken by the West against the formerly communist East.

Scrivener told the conference the EC would express in concrete fashion its pledge to tighten further the links of association with Eastern Europe.

But the difficult economic situation (in the West) makes it less easy and forces us in some sectors to proceed in stages—and I am thinking of agriculture, steel and textiles, Scrivener said.

Klaus protested, however, that EC leaders were exaggerating the seriousness of the Western recession and debasing language by using terms like crisis—as Scrivener did—to describe minimal production declines while the East was facing drops of 10-30 percent, REUTER reported.

Klaus also dismissed as wishful thinking the idea advanced by some EC officials that the East European countries could partly resolve their problems by trading more amongst themselves. Nevertheless, these countries realize they have to carry out their economic reforms on their own, Klaus said.

He added that the West had been poorly prepared for the collapse of communism in 1989 and had in effect hung a Do Not Disturb sign on its door. I support protesting against the 'Do Not Disturb' sign, but I am stressing we don't want to put another hotel sign on our doors—'Please Clean the Room', he said.

We know that the internal side of the transformation process is our domestic task, that nobody will do it instead of us, and we are prepared to do it, he concluded.

### 'Disturbed' by Bavarian Official's Letter

*LD2406103693 Prague CTK in English 0820 GMT 24 Jun 93*

[Text] Prague, June 23 (CTK)—Czech Premier Vaclav Klaus said today he was disturbed by the contents of a letter he received several days ago from the head of the Bavarian government Edmund Stoiber.

Klaus said he sent a long letter in response, attempting to explain fundamental errors contained in speeches Stoiber, along with several colleagues and federal government officials, made at the recent Sudeten German days in Nuremberg.

Klaus said the letter was not courteous, but was an expression of certain concepts. He was responding to a question by the press asking how he viewed the fact that a faction of Germany's governing Christian Democratic Union and Christian Social Union consider the Czech intention to send a commission to talk with Sudeten Germans a government overture.

Representatives of the German federal and Bavarian governments invited the Czech Republic to these talks May 29. At the opening of the 44th annual Sudeten German days they emphasised that in case of further reparations to victims of Nazi-ism, parallel steps should be taken in the cases of Sudetens deported from Czechoslovakia in 1945-47.

### Comments on Increased Budget Revenues

*LD2306210993 Prague CTK in English 2012 GMT 26 Jun 93*

[Text] Prague, June 23 (CTK)—Analyses suggest that state budget revenues will be two to four per cent higher this year, Czech Premier Vaclav Klaus told a press conference today. Klaus explained this would make expenditures possible of around ten billion crowns (333 million USD) more than originally expected. Of this ten billion crowns, 1.5 billion would be given to transport, 500 million to the Interior Ministry, and 2 billion to debt service, especially for the Czechoslovak Obchodni Banka, said Klaus.

A billion crowns would go to strengthen investment activity to accelerate the completion of unfinished building work in the areas of transport, water, ecology, education, health and the communi[illegible]. This billion crowns would go to around 155 projects which have been suffering from a lack of finances, Klaus said. 500 million crowns would go to ecological measures in North Bohemia, and 900 million to finance tax systems and customs services. He said 1.2 billion would be used to increase heating subsidies.

Given the expected increase in income to the budget, outlays should be ploughed back into the country without any change in balance from the approved state budget, said Klaus.

### Baudys Briefs Parliamentary Committee on Army

*LD2306230093 Bratislava STV 2 Television Network in Slovak 2040 GMT 23 Jun 93*

[Report on Defense Minister Antonin Baudys' address to the National Assembly Defense and Security Committee; date not given; in Czech]

[Excerpt] [Czech] Defense Minister Antonin Baudys presented to the [National Assembly's] Defense and Security Committee a report on the situation in the Czech Republic's army.

[Unidentified reporter] According to Minister Baudys, there are at present 88,379 men serving in our army. Of this number, 32,210 are career soldiers, 1,800 are university graduates, and 52,680 are soldiers serving their compulsory military service. The number of undergraduates studying at military academies is 1,689.

Due to compulsory military service having been shortened, about 20,000 soldiers who began their compulsory military service in April 1992 and 1,000 soldiers who began their military service in July 1992 will be discharged as reservists on 12 July. On 30 September 15,500 soldiers who began their military service in October 1992 will be discharged. At the end of the year another 10,500 men will leave the Army.

Minister Baudys acquainted the committee members with the new concept of the Army of the Czech Republic. In an interview for Czech Television Channel One, he said that the concept envisioned a reduction in the number of soldiers and a new structure of the Army, which means a transformation from a system of divisions to a system of brigades.

The concept also envisions redeployment and new deployment of the armed forces, as well as marked changes within the ministry [of defense] and the General Staff.

Minister Baudys expects that by mid-1995 a substantial part of the changes will be implemented. According to the minister, the complete professionalization is not being considered for the time being. Of the planned 65,000 men that the Army will have it is envisioned that 47 percent will be career soldiers.

According to Antonin Baudys, the new concept is also related to our army's integration into NATO. Among armies in a collective security system there must be:

[Begin Baudys recording]...a certain degree of compatibility. They must have similar systems of command, etc. Naturally, our army will soon begin getting closer to this. [end recording] [passage omitted]

### Dlouhy: State To Supervise Arms Production

*AU2406085893 Prague LIDOVE NOVINY in Czech 22 Jun 93 p 13*

[Interview with Trade and Industry Minister Vladimir Dlouhy by Ivo Horak; place and date not given: "The State Will Supervise the Arms Manufacturers"]

[Text] The R.D.P. Group, which incorporates 24 companies, was established recently by Czech arms manufacturers. It should coordinate the production and—first and foremost—the export of weapons. We asked Trade and Industry Minister Vladimir Dlouhy how he assesses this step.

[Dlouhy] I took part in the initial R.D.P. Group negotiations and Defense Minister Antonin Baudys participated in them briefly. On the one hand, I consider this to be a purposeful step and their right—they obviously want to have a greater say in influencing both the financing and sale of their projects. On the other hand, weapons are a special kind of merchandise and must be subject to specific rules.

[Horak] Is there not a risk that this "monster" formed from 24 enterprises—given the current absence of a law on the sale of weapons—will become too much for the state to handle?

[Dlouhy] I have briefed the company's representatives not only on the temporary principles regulating the sale of weapons, approved by the government three weeks ago, but also on the principles of the draft law discussed by the parliamentary Defense and Security Committee, which I will submit to the government before the end of June. I assume the government will approve the proposals so they can be discussed paragraph by paragraph during the summer. The law could be adopted by parliament in fall so that before 1994 the Czech Republic would have a standard law on trade in military materials.

[Horak] Could you, at least briefly, outline the principles included in the draft law?

[Dlouhy] It includes a Trade and Industry Ministry licensing procedure and the right of veto for the Foreign, Interior, and Defense Ministries. We consulted experts from Germany and Austria on the draft and, when it found out about the preparations for the law, the United States sent—on its own initiative—a consultant to us.

[Horak] Will the state participate in the R.D.P. Group and will it be able to supervise it whenever and to the extent it deems necessary?

[Dlouhy] That was my other reason for participating in the initial negotiations: I requested—and it was accepted—that state representatives sit on the R.D.P. Group board and supervisory council.

## LSNS To Withdraw From LSU

*AU2206163593 Prague CTK in English 1825 GMT 19 Jun 93*

[Text] Prague [dateline as received]—The Liberal National Social Party (LSNS) Executive Committee today decided on the party's withdrawal from the Liberal Social Union (LSU), LSNS Press Spokesman Jiri Muller told CTK today.

The LSNS explains this step by the LSU's deviation from the centrist election programme and assuming the left-leaning position in many respects, which had never been in agreement with the position and tradition of the LSNS.

## Agreement Signed on EC Aid for Republic

*LD2306191693 Prague CTK in English 1633 GMT 23 Jun 93*

[Text] Prague, June 23 (CTK)—European Community Ambassador to the Czech Republic Leopold Giunti and Czech Deputy Foreign Minister Pavel Bratinka today signed an agreement granting 2 billion crowns (67 million USD) in directed EC aid to the Czech Republic for 1993.

Bratinka told journalists that the aid, provided through the EC's PHARE programme [Economic and Reconstruction Aid for Poland and Hungary], had been earmarked for three key areas: support for the private sector, strengthening of the government's administrative and political structure, and the development of schools and education.

The private sector funds will be directed toward small and mid-sized enterprises, technical assistance in the restructuring of large companies, and regional development programmes.

Government assistance will target administrative and political structures necessary for the development of private business. It will also provide businesses with direct aid for the acquisition of new energy-saving and environmental protection technologies.

The education funds will go primarily to Tempus, a programme for the modernisation of higher education in central and eastern Europe.

The PHARE programme began operating in the former Czechoslovakia in 1990. Since that time, 5 billion crowns (167 million USD) in assistance has been earmarked for the Czech Republic. PHARE was established to support the transformation of the centrally planned economies of central and eastern Europe (initially only of Poland and Hungary) into market economies.

## Price Levels in Manufacturing Remain Stable

*AU2306174193 Prague HOSPODARSKE NOVINY in Czech 22 Jun 93 p 8*

[Report prepared by the Czech Statistical Office Department of Prices Statistics and Foreign Trade: "More Stable Prices in May"]

[Text] The stability in the price levels in the manufacturing sphere continued in May. The pace of price increases in individual manufacturing sphere price ranges in May hovered between 0.3 percent for industrial products and 1.0 percent for materials and products used in construction. Prices for water and communications stagnated.

The increase in prices from the beginning of the year to May (in comparison with December 1992) was lowest for industrial products and amounted to 9.1 percent; prices for drinking water and sewage increased by 11.3 percent and 9.9 percent; prices for materials and products used in construction increased by 11.5 percent; and prices for construction work increased by 14.9 percent. Communications costs increased by a mere 0.6 percent.

In comparison with the same period last year, in May—a period in which both price changes for this year and price changes from June to December 1992 are reflected—agricultural producers' prices increased least of all, by 2.5 percent (by 1.2 percent for animal products and by 15.4 percent for grain products). Prices for industrial products increased more noticeably, by 13.2 percent; prices for materials and products used in construction increased by 18 percent; prices for communications services increased by 22 percent; and prices for construction work increased by 24.2 percent. Prices for water (drinking and sewage) increased more considerably, by roughly 150 percent.

## Meciar: Hungary To Veto Council of Europe Membership

*AU2306130593 Bratislava HOSPODARSKE NOVINY in Slovak 21 Jun 93 p 14*

[TA SR article: "An Hour for Slovakia"]

[Text] Slovak Republic Prime Minister Vladimir Meciar described Slovakia as a country inviting foreign investors while creating favorable business conditions.

The Slovak prime minister devoted the 60 minutes made available to him by organizers of the Forum Universale in Crans-Montana in Switzerland to the progress of privatization, foreign policy, and the further orientation of the Slovak economy. He stressed that after the completion of small privatization and the first wave of coupon privatization, the second wave of large privatization is in preparation, which will apply to property worth almost $30 billion. Foreign companies interested in fair cooperation can also participate in it.

The main advantages in Slovakia that should interest foreign investors are the geographic location and the efficient and qualified labor force. This, plus the planned restructuring of the economy—particularly in transportation—and the modernization of the telephone network and other sectors will make Slovakia even more interesting. The prime minister also stressed the Slovak Republic's interest in participating in the stabilization of Europe.

On Saturday [19 June] Prime Minister Meciar met with former French Foreign Minister Ronald Dumas, whom he informed about the political situation in Slovakia and activities within the framework of the Visegrad four [Czech Republic, Slovakia, Hungary, Poland]. The prime minister's visit to Crans-Montana culminated in a meeting with Catherine Lalumire, Council of Europe general secretary, and Lithuanian President Algiridas Brazauskas in the evening. The issue of Slovakia joining the Council of Europe and an explanation of some standpoints were the objectives of the meeting between Meciar and Lalumiere.

As Lalumiere said, the need to have several questions explained arose from the activity of the Hungarian side, who pointed to failures to fulfill promises given by the Slovak side. Their reservations apply to the non-adoption of certain norms regulating the use of currencies, bilingual placenames, and autonomous arrangements.

The Hungarian side, Meciar said, is setting up artificial obstacles that are making it more difficult for Slovakia to join the Council of Europe. Their recent activity testifies to this. "We have received information that the Hungarian ambassador to the Council of Europe will veto our joining the Council of Europe. If this happens, and the diplomatic steps that we are taking now will not help, then Slovakia's membership of the Council of Europe will be postponed at least until November," the Slovak prime minister said.

The question of future borders between the Czech Republic and the Slovak Republic, as well as coordination of the course of action at international forums, were the main topics of the nocturnal meeting between the Slovak and Czech Prime Ministers Meciar and Klaus in Crans-Montana. As Meciar said, talks on the borders between the two republics will continue, since there are still differences of opinion between the two parties. He also said that, at this meeting, the prime ministers provided information on the situation in their republics. Even on the last day of a meeting of more than 500 politicians, economists, and scientists in Crans-Montana, the prime minister had a varied agenda. He met with the president of the host country, Adolf Ogi, Swiss Economics Minister Jean Pascal Delamuraz, and the French minister of Economics and Finance, Edmond Alphandery.

## Energy Cooperation Agreement Signed

*LD2306214793 Bratislava Slovak Radio Network in Hungarian 1500 GMT 23 Jun 93*

[Excerpts] The Ministry of Economics had a visitor from Budapest today. Industry and Commerce Minister Janos Latorczai and [Slovak] Economic Minister Jaroslav Kubecka signed an agreement. Ildiko Nagy reports:

[Nagy] It is our conviction that if economic relations deepen it will bring an improvement in political relations too, Slovak Economic Minister Jaroslav Kubecka stressed in his toast after signing a memorandum with his Hungarian colleague, Janos Latorczai, about industrial cooperation between the two countries. [passage omitted]

An agreement was also concluded between the two sides about cooperation in the sphere of energy. Both countries receive the majority of their energy from the former Soviet Union. An electric energy grid should be set up—coordinating the central European system—making it easier to join the West European grid at a later stage. Both sides have an interest in the soonest possible opening of the Adria Pipeline and its expansion at the Szazhalombatta-[name indistinct] stretch. The crude oil pipelines of the two countries which are presently separated from each other should be linked up in two places; in east and west Slovakia. [passage omitted]

The third area of cooperation is the control and safe operation of nuclear power stations. According to Mr. Latorczai, there are numerous possibilities for sharing experiences because the two countries are operating with a similar industrial structure and under virtually identical circumstances. [passage omitted]

It is the ministers' task to [words indistinct] and to work out the framework of cooperation. If partners find each other in this respect it will ease the tension in other areas, the Hungarian minister of industry and commerce said.

### Andrejcak Sums Up Visit to France, Germany

*LD2106220293 Bratislava STV 1 Television Network in Slovak 2100 GMT 21 Jun 93*

[Interview with Defense Minister Imrich Andrejcak by correspondent Tomas Sarluska; place and date not given—recorded]

[Excerpt] [Passage omitted] Defense Minister Imrich Andrejcak returned from a working visit to France and Germany on Saturday night [19 June]. Tomas Sarluska asked him to sum up the outcome.

[Andrejcak] I made two visits last week. I spoke to German Defense Minister Volker Ruehe and French Defense Minister Francois Leotard. I can describe the talks as successful because I encountered an understanding for our needs.

The German visit was an official one. I toured air force units and the First European Division. In France my visit centered on an air show. A number of French firms are interested in establishing links with our companies; we have created some scope for that.

[Sarluska] Minister, your working visits to France and Germany indicate a certain increased interest on Slovakia's part in joining NATO. The evidence of this is also the upcoming visit by NATO Supreme Allied Commander Europe [to Slovakia on 22 June]. What is the aim of his visit?

[Andrejcak] I will say the aim of the visit is for General Shalikashvili to see the Defense Ministry's plans for himself, and to be informed about the steps to be taken to this end [joining NATO]. He will meet both the president and the prime minister. We will discuss potential cooperation and measures to be taken [to get closer to NATO membership].

I want to assure the general during his visit that the Slovak Army is first-rate, and that there is no need to be concerned about its performance. We also want to establish access to NATO; we have set up a NATO Liaison Commission at the Defense Ministry. [passage omitted]

### NATO Commander, Andrejcak Brief Media

*LD2306134893 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 23 Jun 93*

[Text] Commander in chief of NATO forces in Europe General John Shalikashvili ended his two-day visit to Slovakia with a news conference today at the office of the government. Also present at the briefing was Minister of Defense of the Slovak Republic Imrich Andrejcak, at whose invitation this visit took place. Karol Vlk reports:

[Vlk] I have already become accustomed to the fact that the presence of General Shalikashvili provokes our journalists, not excluding myself, to asking questions on the prospects of the membership of Slovakia in NATO. There are various views on this question; what I mean to say is there are various views on this question in NATO member countries. In our country, as President Michal Kovac said yesterday, there is unity between the political forces. These questions were dominant at the news conference today. General Shalikashvili, however, again and again patiently pointed to the fact that the reply to this question is within the powers of the political components of his organization, and not military ones, which he represents. The main topics of the visit were questions, such as cooperation in the military sphere. Minister Andrejcak assessed the results of the visit of the military representative of NATO as follows:

[Begin recording] [Andrejcak] Esteemed general, esteemed ladies and gentlemen: I am happy to note that we assess the visit of General Shalikashvili as very beneficial. It is beneficial because we have come to the conclusion that the general has good relations with Slovakia and towards its Army and that he supports our intentions. He has come up with the generous offer of prompt help in the spheres in which we are interested. If I should mention the most important activities, it is the fact that we will assess together how the NATO command, as well as the individual states, above all the United States, can help overcome the language barrier. The general accepted the draft project of setting up a consultation center of the Marsall Institute and said that he would support this idea. I am very glad that it will be possible, and I believe that we will achieve this, because a consent of the minister of defense of the United States is necessary for this, probably also that of the Congress. I hope that we will succeed in opening this consulation center in Bratislava. [end recording]

[Vlk] My question concerned the general's impressions of the trip, that is the general's latest view of the Slovak Army.

[Shalikashvili heard speaking briefly in English, fading into Slovak translation by unidentified announcer] I am happy to answer your question. I have had extensive talks with Minister Andrejcak and General Humaj this morning. I told both of them that we in NATO deeply admire the good work that you have accomplished in the process of transformation of the Slovak Army. We should not play down problems, but according to what I have heard so far, the Army command knows very well what it wants to achieve. The program has been very well thought out. I am an optimist and I believe that your path is correct.

[Vlk] This positive view, together with the promise of extensive help during which, as the general said, Brussels will focus fully on our needs and problems, was, in my view the most positive aspect and the most interesting part of the news conference.

## Interior Minister on Czech-Slovak Border Issue

*LD2306164893 Bratislava Rozhlasova Stanica Slovensko Network in Slovak 1000 GMT 23 Jun 93*

[Text] The draft bill on weapons and ammunition, which was approved by the government yesterday, was one of the dominant topics of today's news conference with the minister of the interior of the Slovak Republic. Jozef Tuchyna stressed that one has to distinguish between license to hold a weapon and license to carry it, which in practice basically means that not every owner is authorized to carry a loaded weapon.

Dalibor Liska and Stella Hanzelova report further:

[Liska] Weapons are often acquired by people who are physically and mentally unsuitable, mainly on the basis of a group license issued, for example, to the name of a firm. It is necessary that the employees of the firm demonstrate competence and acquire, on the basis of a police examination, their own weapons license.

The government-stipulated increase of strengthening executive units by 2,000 policemen will not take place by the end of the year because the financial resources designated from the state budget make it possible to accept only 803 new policemen.

During the news conference, however, we learned that the police corps realistically needs 4,000 people. Improving the quality of their work will also be helped by 694 new vehicles.

Minister Jozef Tuchyna said that a new civil code is valid in Slovakia which has completely new institutions, and people are not aware of them.

[Hanzelova] Jozef Tuchyna also spoke on questions of the changes prepared for the state border between the Czech and the Slovak republics. He said the following about the measures prepared by the Czech side for 1 July. I quote: It is their inalienable right. We will not interfere with it. We are awaiting actual deeds to take place, and then we will implement adequate measures. End of quote.

He did not say what measures. In any case, the first step is to sign the agreements on returning refugees with Poland, Ukraine, and Hungary. In this connection I asked him about the state of preparation of these agreements:

[Begin recording] [Tuchyna] It is now just up to the prime minister's meeting to sign this agreement with the Polish Republic. An agreement has been prepared to the same extent with Ukraine, and will be signed in early July. On 25 June I will have talks with the Hungarian minister, agreements have not been prepared yet, but talks are under way about them, we exchanged views on these agreements; we will hold further talks and conclude this kind of agreement with Hungary.

[Hanzelova] When all these agreements have been signed, how do you see further development in relations with the Czech Republic?

[Tuchyna] We do not deny the right of a sovereign state to its sovereignty. I only want to recall the fact that there are about 180,000 of those, who during the census subscribed to Slovak nationality, who still remain in the Czech Republic and we have no moral right to behave toward them by closing this border for them. As to the citizens of third countries, that is a question for further talks, but to set up border crossings for the citizens of third states is possible, that is true, but directing the people who illegally want to cross the state frontier to these border crossings is virtually impossible when the rest of the border will not be guarded.

[Hanzelova] Are you not afraid, in this connection, that certain kind of criminal activity will increase?

[Tuchyna] Of course we are. We are preparing new identity cards; they have certain protection from the point of view of the possibility of misuse, and we are also preparing travel documents, so I think that we are in charge of these issues. This possibility cannot be excluded, it is on the agenda today; for example the day before yesterday 140 people tried to use false documents or other means to enter the territory of the Slovak Republic, and they were returned from the state border. [end recording]

## Finance Minister Announces Tax Increases

*AU2206175593 Bratislava PRAVDA in Slovak 19 Jun 93 p 2*

[TA SR report: "Higher Taxes on the Horizon"]

[Excerpt] Bratislava—[passage omitted] In March 1993 lower tax revenues and contributions to insurance funds generated a deficit of 11 billion korunas in the Slovak Republic budget. In the subsequent two months, the budget deficit remained at the same level. As Finance Minister Julius Toth told yesterday's meeting of the Economic and Budgetary Committee of the National Council of the Slovak Republic [NRSR], the budget deficit is not only a consequence of lower economic performance, but also reflects the degree to which we have mastered problems in the introduction of the new system of taxation, the effectiveness of the customs offices, and the operation of National Insurance. The insolvency of individual companies has also contributed to the deficit to a significant degree. Therefore, in addition to measures aimed at the collection and administration of taxes, an increase in individual tax rates is also planned [to combat the deficit]. The value-added tax is to be raised from 5 to 6 percent and from 23 to 25 percent and consumer taxes are to go up by an average of 10 percent. In the sphere of expenditure, it will be necessary to adopt such measures as will prevent the budget deficit from exceeding 16 billion korunas, the level of deficit permitted by the IMF.

### Ministry Denies IMF 'Insists' on Devaluation

*AU2206155993 Prague CTK in English 0827 GMT 18 Jun 93*

[Text] Bratislava, June 18 (CTK)—The Slovak Finance Ministry has denied a report in the weekly THE PRAGUE POST that the International Monetary Fund (IMF) has retreated from its demand for a floating rate of exchange for Slovak currency, but insists on a devaluation of roughly 20 percent as soon as July 1.

The Finance Ministry statement, read on Slovak Radio last night, said the report was not based on truth and came from a so-far undetermined source.

After signing an agreement with Slovak representatives on June 15, Emanuel Zervoudakis, leader of the IMF mission to Slovakia, said that the Slovak Government would choose for itself the means to fulfill the IMF's conditions.

He also said the mission agreed with applying import surcharges as a temporary measure.

The mission presented certain recommendations to the Slovak Government, but the agreement that was signed reflects the views of the government. The IMF plan is to offer recommendations that should be aimed at the macroeconomic sphere to the Slovak Government methodically, Zervoudakis said.

### Dolgos Resigns HZDS Deputy Chairmanship

*LD2306133893 Prague CTK in English 1245 GMT 23 Jun 93*

[Text] bratislava, June 23 (CTK)—Lubomir Dolgos, who quitted the post of Slovak privatisation minister June 15, resigned today from the post of deputy chairman of the ruling Movement for a Democratic Slovakia (HZDS) and is leaving the movement as well.

Speaking at a press conference in Bratislava today, Dolgos admitted he was to blame for the current situation in the privatisation sphere in Slovakia. He does not want to accuse the others, Dolgos said, and added that he finds his own activities within the HZDS a mistake. I should have known with whom I was in it, he noted.

He dismissed a view that the HZDS internal disputes were a problem of generations. Asked what he would do in the nearest future, he answered: I am taking a holiday.

HZDS Deputy Chairman Roman Zelenay told journalists that the HZDS did not want to fill the posts vacated by the resignations of Dolgos and Education Minister Matus Kucera (who resigned June 18) until it discusses this with its potential coalition partner, the Slovak National Party (SNS). That is why Slovak President Michal Kovac asked Premier Vladimir Meciar on Tuesday to manage the Privatisation Ministry and Deputy Premier Roman Kovac to manage the Education and Science Ministry until new ministers were appointed.

The SNS is interested in five ministerial posts, mainly economic ones, in the envisaged HZDS-SNS coalition government, according to unofficial sources.

Zelenay said that the HZDS-SNS talks on a possible coalition showed the two parties' relatively large accordance. However, he considered it inappropriate to inform the public on the negotiation's details at this time.

### Report on National Bank Assets, Liabilities

*AU2206073393 Bratislava PRAVDA in Slovak 15 Jun 93 p 2*

[TA SR report: "Assets Are Equal to Liabilities"]

[Text] Bratislava—The financial assets of the National Bank of Slovakia were 128.79 billion korunas on 31 May 1993, and were equal to the liabilities. This ensues from the data provided to TA SR by the National Bank of Slovakia. Claims toward foreign countries in non-convertible currencies declined on the last day of May, compared with 20 May, from 2.83 billion to 0.44 billion korunas. Deposits in international institutions in non-convertible currencies remain unchanged at 24.08 billion korunas—deposits in convertible currencies rose from 2.35 to 2.44 billion korunas. Obligations toward international institutions in non-convertible currencies remain on the same level in the given period, and attained 24.37 billion korunas, obligations in convertible currencies increased from 15.68 to 16.31 billion korunas. National Bank of Slovakia claims in Slovak korunas toward domestic banks declined during the last 10 days of May from 44.45 to 42.24 billion korunas. Obligations rose from 12.81 to 13.56 billion korunas. The amount of currency in circulation was lower and reached 25.11 billion korunas, compared to 20 May (26.18 billion).

## Antall Previews Visit to Germany

*AU2306112093 Berlin DIE WELT in German 23 Jun 93 p 2*

[Carl Gustaf Stroehm report: "Antall: Germany Is a Major Power"]

[Text] Budapest—"Germany is a major continental power in Europe and shows understanding for the problems of Central and Eastern Europe." With these words, Hungarian Prime Minister Jozsef Antall commented on his official state visit to Bonn, which starts today, in an exclusive interview for DIE WELT.

In addition to an economic foundation, Hungarian-German relations also have a "moral foundation," Antall said. Hungary played a special role in German reunification. Today Germany is Hungary's most important trading partner and ranks second after the United States in the field of investments. "We want to intensively develop the contacts with Germany on all levels."

Hungary is striving for entry into the EC before the end of this decade. It also hopes to become a NATO member someday. Here Budapest expects support from Bonn, he said. Hungary is prepared to adjust its economic system to the EC conditions as early as now. Antall complained about EC quota regulations and import bans that make Hungary's exports to the West more difficult. "I do not want to conceal either that Austria is presenting difficulties to us in the European Free Trade Association," he added.

Cooperation with Bonn in the field of security policy is particularly important for Budapest. The situation is not only extremely critical in the Balkans, but also in the former Soviet Union. Potential threats are possible from the Baltics to Turkey, he said.

The Hungarian prime minister called NATO the most important cornerstone of the European security structure. Hungary also regards the United States' military presence in Europe as very important. In the long run it is untenable that there should be two categories of states in Europe today: the NATO members with privileged security and the Central and Eastern European states that have to put up with less security.

Antall criticized the uncoordinated and irresolute attitude of the West in the Yugoslavia crisis. At the critical stage, the West concentrated all its attention on Russia and did not realize the imminent dangers in Yugoslavia. Leading Western politicians encouraged the Belgrade leadership in its illusions.

In contrast to U.S. Secretary of State Christopher, Antall is of the opinion that the recognition of the sovereignty of Slovenia, Croatia, and Bosnia was unavoidable. Croatia's sovereignty must be strengthened. The country is maintaining democratic order in the region and prevents the destabilization of the region, he said.

## Jeszenszky on German Role in Europe

*AU2406103293 Munich SUEDDEUTSCHE ZEITUNG in German 24 Jun 93 p 10*

[Wolfgang Koydl report: "It Is Sad How Germany Often Stands Alone"]

[Text] The minister knows what he is talking about; after all, his country is affected by the problem more than just indirectly. "The question of ethnic minorities," Geza Jeszenszky says, "is one of the greatest challenges in the new Europe." Jeszenszky is foreign minister of the Republic of Hungary, which borders directly on the FRY. In addition, Budapest politicians feel responsible for all those Hungarians who live outside the borders as ethnic minorities. One out of three Hungarians, the minister says, does not live in his homeland, but in Romania, Slovakia, Ukraine, and Serbia.

As a result, the Balkan conflict will loom large in the talks which Jeszenszky and Hungarian Prime Minister Joszef Antall in Bonn this week. The Hungarians attribute a special role to the Germans in this connection. "Of the big European powers," the foreign minister says in an interview with SUEDDEUTSCHE ZEITUNG, "Germany understands the problems of the new Europe best."

Indirectly Jeszenszky indicates that it would be appreciated in Budapest if Germany ("one of our most reliable friends") were to play a more prominent role in the future. Asked about Chancellor Helmut Kohl's proposal at the latest EC summit in Copenhagen to deliver weapons to the Bosnian Muslims, he responded: "It is sad to see how, over the past two years, Germany often seemed to be almost completely alone in its demands for more specific, definitive measures—not only in the Balkans, but in general."

In any case, it is a "bad omen" that Europe, which stuck so firmly together during the Cold War, proves unable to act in unison in a new crisis. Jeszenszky explains: "Disunity only encourages the forces of reaction, the forces of the old regimes' forces. And there are too many potential hotbeds of crises."

In the former Yugoslavia, for instance, Hungary often wished for "stronger and quicker reactions" by the Europeans, the foreign minister says. Nevertheless, at the beginning of the crisis the EC did "not have such bad principles." Thus, Lord Carrington, the first EC mediator, correctly recognized the core of the conflict as the ethnic minorities problem—namely the Serbs in Croatia and the non-Serbian peoples in Serbia. Unfortunately, Jeszenszky says, the West did not support the Carrington plan with sufficient determination.

A "turning point" came when the EC ignored the first incidents of ethnic cleansing, a "gross violation of its own principles." This policy started in southern Baranja, on the other side of the Hungarian border, where Serbs drove away or killed the Croats, who constituted about

75 percent of the population. "As soon as one permits this on a small scale, one involuntarily encourages aggressions in other places," Jeszenszky says. "Because one permits the conclusion that although a policy of faits accomplis is condemned, it will still have the desired outcome."

Nevertheless, Jeszenszky is "relatively optimistic" that Europe will be able to overcome the new challenges. It is not possible to achieve much bilaterally; multilateral efforts must be intensified. Therefore, Jeszenszky finds French Head of Government Edouard Balladur's proposal not uninteresting. Balladur wants a European peace conference.

## Defense Minister on Army's Budget for 1994

*LD2306175193 Budapest Kossuth Radio Network in Hungarian 1500 GMT 23 Jun 93*

[Text] According to [Defense Minister] Lajos Fur, 75 billion forints [Ft] are needed to maintain the Army's ability to function next year, but at present Ft66.5 billion are available for planning its 1994 expenditures. The defense minister briefed journalists in Pecs about the plans for next year's defense expenditures.

Speaking about the amount planned for 1994, he said it is two billion forints more than this year's budget. However, if the Ft20 billion of social insurance contributions [by the Army] are deducted, that will leave only 46-47 billions to be spent.

Lajos Fur warned that social conditions within the Army are deteriorating. A proportion of the professional staff is living on the brink of the poverty line. The Hungarian Army has been forced to reduce numbers, but it has by now completely used up the money released in this way and it has no reserves, either. The Army consumes a considerable share of state expenditure but its budget is in proportion with the country's economic situation; its demands are realistic, Lajos Fur said at the Pecs press briefing.

## Cooperation Accord Signed With Turkey

*LD2306194493 Budapest MTI in English 1848 GMT 23 Jun 93*

[Text] Budapest, June 23 (MTI)—The Hungarian and Turkish defence ministries have concluded an agreement on cooperation in military training and on technical and scientific cooperation.

The agreement was signed in Ankara today by Hungarian State Secretary of Defence Laszlo Szendrei, and his host, Deputy Minister of Defence Huseyin Kivrikoglu.

Szendrei, who is heading a delegation on a three-day official visit to Turkey, obtained information on the system of Turkish military training and the structure of the military industry. The sides discussed security policy issues as well.

The state secretary returned to Budapest on Wednesday evening.

## Agreements With Israel, Spain Ratified

*LD2206200393 Budapest MTI in English 1848 GMT 22 Jun 93*

[Text] Budapest, June 22 (MTI)—Hungarian parliament ratified investment protection agreements with Israel and Spain unanimously, and a double tax avoidance agreement with Israel on Tuesday.

Further, parliament adopted a resolution on the action plan after the Danube's unilateral redirection, asking the cabinet to submit to parliament within 30 days of promulgation the action plan and financing plan, to ensure water supply to the river, since partial operation of the dam at Dunakiliti is supplying insufficient water.

Later, parliament approved a draft on 1993 central budget subsidies for social groups by an overwhelming majority. Under the draft, social groups receive Huf 388 million in subsidies this year. The central budget disposes of Huf 1,200 billion.

Priority has been given to health care and rehabilitation and environmental protection organizations, and those representing the interests of youth and children.

## Social Democratic Party Chairman Interviewed

*AU2206200993 Budapest PESTI HIRLAP in Hungarian 22 Jun 93 p 9*

[Interview with Social Democratic Party Chairman Imre Takacs by Agnes R. Papp; place and date not given: "Imre Takacs on the Attacks Against the SZDP"]

[Text] [Papp] According to our information, as the chairman of the Social Democratic Party [SZDP], you were thrown out of the National Committee meeting held on 19 June, a meeting where three out of the four social democratic movements in the country declared their intention to unite. What happened behind the scenes?

[Takacs] I was also invited to the meeting, namely by Endre Borbely, chairman of the Hungarian Socialist Democratic Party [MSZDP]. I participated in the meeting, but seven people took the floor outside the agenda, including Tibor Figula, member of the Hajdu-Bihar county national committee of the MSZDP. In my opinion, this did not happen by accident. All the speakers called me to account for, allegedly, personally hindering the unification of the three parties.

[Papp] What was your answer to this?

[Takacs] I did not have any opportunity to answer because I did not receive the right to address the meeting, and then I left the hall.

[Papp] In reality, why does the SZDP refuse to accept unity with the MSZDP, the Social Democratic People's Party [SZDNP], and the Independent Social Democratic Party [FSZDP]?

[Takacs] Because we do not want to get into a similar situation as in 1948, when the communists "swallowed" the social democrats and imprisoned several of our members, including myself. Besides, this opinion of the SZDP was no secret to the other three parties either because, prior to the meeting of the National Committee, the SZDP held a news conference on 18 June, and invited Jozsef Poharanszky, member of the Board of Directors of the MSZDP, as well as Tibor Transzkovaczky, 12th district secretary of the same party.

[Papp] In that case, no insults or anticommunist slogans could come from you at the meeting, because you did not even have the right to speak.

[Takacs] I do not insult anyone, but others did insult me. I declared, however, that the social democrats did not wish to cooperate with the former communists. This is not only my opinion, this is also shared by the SZDP deputies of Veszprem, Bacs-Kiskun, Szolnok, Pest, and mainly Hadju-Bihar counties. Besides, I could not make any kind of declarations in the name of the party without coordinating things with them. They would like to stay in the golden middle road. We do not wish to unite with the other three social democratic parties but, if we agree with their future party program, we will not exclude the possibility of cooperation.

[Papp] Why the reprisals if you did not even express this opinion at the meeting?

[Takacs] I suspect jealousy is behind all this.

[Papp] Regarding the strength of the party?

[Takacs] Precisely. If we only look at the ominous Hajdu-Bihar county with its 400 party members, this speaks for itself. As opposed to this, as far as I know, there are only 100 MSZDP members there, and hardly 20 members in Debrecen.

[Papp] Mr. Takacs! What role do you envisage for the SZDP in the next elections?

[Takacs] We want to remain independent. We only intend to form a coalition with smaller parties or with historical parties, and not with the Hungarian Socialist Party [MSZP] at all.

## FIDESZ Relations With Other Parties Viewed

*AU2206200793 Budapest MAGYAR HIRLAP in Hungarian 22 Jun 93 p 5*

["H.A."-signed report: "According to Orban, Links With the Alliance of Free Democrats Are To Be Strengthened"]

[Text] What should be the attitude of the Federation of Young Democrats [FIDESZ] after the amputation of the Hungarian Democratic Forum [MDF] on two sides? This is one of the issues FIDESZ Chairman Viktor Orban talked about at the news conference preceding the party's county meeting in Bekescsaba. According to Orban, at meetings in six counties, the membership's view was that they must not form any links with those who are outside the domain of democracy, like [Istvan] Csurka and his associates or [Jozsef] Torgyan and his associates. The FIDESZ members have varying views on the national liberals, many of them think that they are suitable for a coalition, the only problem being that it is not known who are the members of this group, as only Elek, Debreczeni, and Jozsesf Horvath are known. However, there is a united view that they must not foster any such links with [Prime Minister] Jozsef Antall's MDF which would suggest that the MDF and the FIDESZ are forming an alliance in the background. According to Orban and the members, the FIDESZ's agreement with the Alliance of Free Democrats [SZDSZ] has to be strengthened, because this is a key issue of current Hungarian domestic politics. The MDF and the Hungarian Socialist Party [MSZP] are both interested in neutralizing the "agreement" between these two parties to stop the liberals from winning at the elections.

While the MDF tolerates being linked with the FIDESZ, the MSZP is spreading the news that these two parties are collaborating in the background. It is a goal of both the MDF and the MSZP that the SZDSZ give up its election agreement with the FIDESZ. The SZDSZ wing that sympathizes with the MSZP may play a role in this.

Orban said that, according to the experience gained at the county meetings, the membership has an extraordinary aversion against the MSZP and, although this anger is not violent, it means a large distance from the socialists.

## Walesa, Solidarity Chief Discuss BBWR

*LD2406085593 Warsaw PAP in English 0828 GMT 24 Jun 93*

[Text] Warsaw, June 24—President Lech Walesa received Thursday Solidarity leader Marian Krzaklewski.

Krzaklewski refused to comment on the meeting but according to unofficial sources, the talks covered the possible participation of the union in the Non-Party Reform Bloc (BBWR) and the functioning of a government-union negotiating team that would also include representatives of the presidential office.

## Suchocka Interviewed on Government Situation

*WS2306120093 Warsaw RZECZPOSPOLITA in Polish 14 Jun 93 p 3*

[Interview with Prime Minister Hanna Suchocka, by Bozena Wawrzeszewska and Dariusz Fikus; date not given: "I Would Like To Leave the Next Government With Economic Stability "]

[Text] [RZECZPOSPOLITA] Why do you think the Sejm was dissolved? The result of the no-confidence vote was unfavorable to the government. What mistakes did the government make, and what mistakes did the opposition make?

[Suchocka] I think that the president was guided by what was predictable—the inability to form any new coalition. This became apparent last July, when this multiparty government was formed after many difficulties. All the deputies who voted in favor of the no-confidence vote should have been aware that their decision might result in the dissolution of the Sejm. They did not submit any program on to what should be done next.

[RZECZPOSPOLITA] What was your role in dissolving the parliament?

[Suchocka] Only the president can dissolve the parliament. A few hours after the Sejm passed the no-confidence vote, the Council of Ministers was convened, with the participation of Lech Walesa. I handed my resignation to the president, who did not accept it.

[RZECZPOSPOLITA] Did he turn to the members of the Council of Ministers for advice?

[Suchocka] The president listened to the opinion of the members of the government and of the leaders of the coalition parties; he made it clear, however, that he would make the decision himself.

[RZECZPOSPOLITA] The manner in which the parliament was dissolved raises doubts. Did it have to be done in a way which, to say the least, surprised some of the deputies? You partially contributed to settling this matter in such a way.

[Suchocka] On Friday the president said he would make a decision; on Saturday he actually made it; on Sunday I received a letter from the President's Office which asked that the order be published; finally, on Monday the order was published. I think that if the president decides to dissolve the parliament and the results of the decision depend merely on the date on which it is published, the constitutional law states that this should be done as quickly as possible. Any gap between the time the decision is made and the time of its publication may result in suspicions about manipulation.

[RZECZPOSPOLITA] Do you think that the government made some mistakes that resulted in submitting the no-confidence vote motion?

[Suchocka] The reasons for the no-confidence vote motion suggest that the government's mistake was that it was carrying out a consistent policy. First of all, the government was criticized for keeping the public finances under tight reins. There were demands for an open budget that would have had to cause a greater deficit and higher inflation. No one said where the money should be taken from. I often drew attention to the fact that both the Central Bank and commercial banks were no longer willing to supply the money. We had difficulties servicing the projected deficit, let alone controlling its increase. Every government that is responsible and wants to implement reforms must make such a "mistake."

[RZECZPOSPOLITA] After the crisis, the government found itself in a rather exceptional situation. There is no control over it by the the parliament, and it has the sympathy and assent of the president. How is it going to take advantage of this?

[RZECZPOSPOLITA] Can you say anything more about the reform camp? How do you understand this concept?

[Suchocka] It is really not very precise. However, as far as the most crucial side of the matter is concerned, it should raise no doubts. As I see it, this phrase comprises those forces which agree that a tough budget must be constructed and that inflation must be reined in; which agree that the issuing of empty money must be prevented; which want to complete the construction of a market economy. The consequence of this would be consistent and permanent economic growth, which would result in the constant and steady improvement of the living standard.

[RZECZPOSPOLITA] How are you going to reconcile governing the state and participating in the election campaign?

[Suchocka] I am going to do it just as Jan Krzysztof Bielecki did it when he was the head of the government and ran in the parliamentary election; just as it is done by every prime minister in a parliamentary democracy, if he runs in election. He does not always win. It is a

chance he takes. The government is regarded with particular criticism, especially in a situation like ours: unprecedented and difficult transformations are taking place in our country. Thus, it is easier to run in the election if one is a candidate of an opposition party; if one criticizes everything. However, there is no doubt that the most important thing for me is now managing the work of the government.

[RZECZPOSPOLITA] Are you not afraid that this election campaign may at one point rip the coalition apart?

[Suchocka] This coalition has survived for eleven months, even though no one anticipated this. It is obvious that the election campaign may really put the coalition to the test. However, I am hoping for the best. The representatives of various parties are collaborating very well in the government. I am trying to develop the cooperation of the leaders.

[RZECZPOSPOLITA] "The Pact on Companies" was negotiated by Minister Jacek Kuron. In doing so, he added a little too much to the significance of the trade unions. Was it not far too much?

[Suchocka] According to our law, every labor minister is the special guardian angel of the trade unions. When we were negotiating the pact, we sought a permanent partnership with the trade unions and employers. I got the impression, however, that the unions did not really know what role they would like to play in the new social arrangement. This caused the conflict which gave rise to the situation that we have now.

[RZECZPOSPOLITA] Having analyzed the experiences of the last few months, do you not think that the role of trade unions should be limited?

[Suchocka] As I have said recently, the trade union submitted a no-confidence vote motion against the same government with which it spoke and signed the "pact." As a result of such a situation, the next governments will ask the question that you have just asked me.

[RZECZPOSPOLITA] The Democratic Union is said to be willing to take advantage of your popularity and submit your candidacy in a constituency where the union is not very popular. What is your opinion on this?

[Suchocka] No one has proposed this to me yet. I feel very closely related to the region of Poznan.

[RZECZPOSPOLITA] What legacy would you like to leave to the next government? What experiences would you like to share with them?

[Suchocka] I would like to leave the next government with economic stability. I would also like to leave them a situation where the reforms are so advanced that they can be easily and effectively continued. I would like to give the next government and parliament an extensive set of laws. I have already spoken about the details.

[Suchocka] Would you not take on the task of heading the government once again? If so, on what conditions?

[RZECZPOSPOLITA] For the time being I am the head of this government which, as I have often stressed, has a lot to do. It is still too early to talk about what will happen after the election.

[Suchocka] The situation is exceptional in the sense that our Constitution envisions permanent functioning of the parliament; however, in most of the other democratic countries parliaments work in a session mode. Therefore, there are longer periods when the parliament is not working; during that time the government works normally. In our case the work of the Sejm and Senate was stopped rather abruptly. However, the government has a lot of rights laid down in the Little Constitution and in the laws that have already been passed. Indeed, in the new situation we will not be able to carry out all the tasks that we have planned; however, we will perform most of them. Taking advantage of the legal possibilities that we have, we will implement the "Pact on State Companies." The Program of General Privatization will also serve the purpose of transforming companies. We will introduce the privatization in installments, which is favorable to Polish businessmen and managers. We will continue the work on the restructurization of sectors and regions, especially where the threat of unemployment is bulking particularly large. We are going to finish the work on the bill on the overall reform of the pension system, which has recently been submitted by the Labor Ministry. We will also advance the work on the bills on reforms in the sectors of education and health service. The reform will also include the public administration. Further steps will be taken to improve the collectability of custom duties and taxes. We will prepare the 1994 budget bill for the new parliament and the future government. In general, our task is to see to it that the macroeconomic stability is maintained. On the other hand, we will continue transforming the state and the economy so that the chances for development that we have already achieved will be greater. All this is not going to be easy, because we are just entering the period of the election campaign.

[RZECZPOSPOLITA] Let us now turn to other issues. Minister Milczanowski showed his teeth and determination to the oppositional demonstration organized on 4 June. Do you advocate such solutions?

[Suchocka] This was not showing teeth to the demonstrators. We did not want to restrict that demonstration. Similar manifestations had taken place before, without any problems. However, we must discriminate between lawful and unlawful activities.

[RZECZPOSPOLITA] If the Sejm had functioned, this issue would probably have caused a great row at the nearest session, would it not?

[Suchocka] There were often rows in the Sejm that were bigger than the problems themselves. Even when the government gave very precise information, it was not

taken into account in voting. This brought about a certain devaluation of information and demands to present it.

[RZECZPOSPOLITA] How is the government going to function in a situation where there is no Sejm, an institution of control. Does it have more freedom?

[Suchocka] The government must take into consideration the fact that it is subject to control. We must be as responsible for our actions as we were before. We better present our arguments to the public and seriously analyze all criticisms. Moreover, there is also a possibility of controlling the government through institutions that have been established for this purpose, including the State Tribunal. I think that particularly the opposition parties' candidates for deputies will follow and analyze the activities of the government. Therefore, there is no situation where the government is not controlled.

[RZECZPOSPOLITA] What do you say to the president's proposal that the pro-reform parties should run together in the election? You are a member of the Democratic Union, which has decided to run alone. Do you not consider this a mistake?

[Suchocka] The union has not made any decision in this matter yet. This was the overtone of the discussion; however, the final decision has not been made yet. I personally think that it would be good if the coalition parties could find a better way of cooperating with each other. There is a danger of divisions in what is referred to as the reform camp. I am going to organize regular meetings of the leaders of the coalition parties. We will see what decisions we can make together. The pact on non-aggression among the coalition partners is a certain minimum. We have agreed on that.

## Walesa Addresses Council on Role of Media

*LD2106145693 Warsaw Radio Warszawa Network in Polish 1212 GMT 21 Jun 93*

[Speech by President Lech Walesa at a meeting of the Presidential Council for Media and Information; place and date not given—recorded]

[Text] The time that has elapsed since the inaugural meeting of this council has brought new political situation and new facts in the sphere of mass media. But a process of creating a new information order is still in progress. That is why your voice on the issue is indispensable and important.

Discussion continues on the place and role of the media in a democratic society. We are constantly looking for a model that will suit our needs and expectations. We are searching for the best solutions and we are working out our own solution in order to lose nothing of our identity. There have been clashes of different reasons and values in the process. Numerous teams are working to create a legal and ethical framework in which the Polish media, both public and commercial, will have to exist and perform important functions.

The importance of free media and of building civic society is unquestionable. In discussions and disputes a basic question has to be asked: Freedom, but what freedom? From what, and toward what? Responsible, but responsible to whom? Which freedom are they to serve. I know this Council has also been trying to find answers to these questions.

Today, the questions are even more topical. In three months time, we are going to take a political responsibility exam once again, an exam on a course of democracy, for which we have been studying for the last four years. The result of the exam will largely depend on the responsibility, wisdom, and honesty of the media. They are a powerful instrument for conveying information and shaping social awareness. I want to believe that they will meet the challenge—the public media in particular—of acting for the common good of citizens as their prime task. In the sphere of the media, this good is the honest and objective transmission of information. The path we are going to chose as a society and a nation also depends on that.

Will we be able to carry out the reform of the country? Will we lose the chance we obtained four years ago? Since the historic June 1989, many people and parties with an appetite for power have appeared. However, we still have no responsible and mature political elites which can clearly and precisely see what to do with the power they have won. The public is growing suspicious that it is merely an object of the game and not its protagonist, but it believes that the powers at the top have to reckon with it and that it is on their behalf that decisions are made.

The decision to dissolve parliament and call new elections is a renewed attempt to give power to society. A proper hierarchy of political significance has been restored. We have been given the answer to the question of whether it is the parliament and the government which are to serve the nation, or vice versa. The three months which separate us from the elections is too short a period to restore this hierarchy, and not merely in words; people should also be convinced that the will exists. It is difficult today to look for general support. We will now be able to win by using specific ideas, proposals, programs—at least this is what we hope will happen.

By participating in the campaign, the media will play their own great role. I believe that responsible, just, honest, and objective reporting will contribute to it. It is up to the media if this is going to be a campaign of arguments and programs, or a campaign of hatred and slanders.

The National Radio and Television Broadcasting Council, constitutionally the highest body for law and order issues in the airwaves, has established the framework for the media's activities. But legal clauses will not exhaust the complicated matter of life. It so happens that

they simply cannot catch up with life. The media are pluralist today, the state monopoly has fallen. This is a privilege of democracy as well as its condition, the law which we want to apply and use.

It is wrong that it should have taken so long to create norms regulating radio and television, that today we should be reached the deadline for stations operating without licences; we are, after all, on the threshold of the campaign, and this is in keeping with the law on radio and television broadcasting.

In accordance with its constitutional right, the National Council for Radio and Television Broadcasting adopted a stand on the issue. It has been misunderstood by many people, who consider it to be another attempt to monopolize information by the state and to limit the right to freedom of speech. It all happened in a particularly difficult moment of the election campaign.

I have also been approached about this issue. I hope the administration of justice will not be too strict, but the law should apply equally to everybody. I also value your opinion on the issue. I count on today's debates to become a voice in the discussion on the shape of the mass media in a time of breakthrough, on their place and role in supporting Polish transformations, and on their role in creating a new society, as conscious and mature people who are responsible for the country and themselves, and who understand the sense of reforms.

Shaping our society largely depends on media, on their credibility and maturity, and on their understanding of their great responsibility for the republic and for the future of Poland and the Poles. I believe we will be equal to the task.

## Minister Skubiszewski on Integration With EC

*LD2306154093 Warsaw Third Program Radio Network in Polish 1200 GMT 23 Jun 93*

[Text] Speaking at a conference of the Polish League for European Economic Cooperation [Polska Liga Europejskiej Wspolpracy Gospodarczej], [Foreign] Minister Krzysztof Skubiszewski described the current situation and prospects for the implementation of the agreement on our country's association with the EEC: It is in Poland's interest to create strong bonds with this organization; it is the order of the moment but also a guarantee of security and a chance for the future, as Poland in isolation has no prospects for development. According to the minister, integration within the EEC states cannot go deeper and be consolidated without us. Despite the fact that the integration processes are being obstructed, among other things, by western protectionism, Poland is adapting fast to the requirements of the community.

Regarding our trade deficit with the EEC, our imports came to over 8 billion European currency units [ECU], while our exports were slightly over 7.5 billion ECU. This can be evened out by the influx of western capital, Minister Skubiszewski said.

## Likely Election Coalitions Discussed

*WS2306085093 Warsaw RZECZPOSPOLITA in Polish 22 Jun 93 pp 1, 2*

[Article by Marcin Dominik Zdort: "Cleaning Up the Political Scene; Blocs Instead of Parties"]

[Text] Non-Party Bloc in Support of Reforms:
—Siec
—Union of Employees' Property
—Polish Union of Private Employers "Common Issue"
—Citizens' Committees (?)
—Polish Erotic Party (?)
—Peasant-Christian Party (?)
—Party of Christian Democrats (?)

Polish Union:
—Center Accord
—Movement for the Republic
—Movement for the Third Republic
—Christian-Democratic Labor Party
—Christian Democracy
—Clubs for the Service of Independence
—Union for Real Politics (?)
—"Pro-reform" coalition (?)
—Democratic Union (?)
—Liberal-Democratic Congress (?)
—Polish Convention (PK—Conservative Party, SLCh—Peasant-Christian Party, PChD—Party of Christian Democrats) (?)
—a group of former "Solidarity" leaders (?)

Democratic Left Alliance:
—Social Democracy of the Polish Republic
—All-Polish Trade Union Agreement
—Polish Teachers Union
—Democratic Union of Women
—Polish University Student Association
—Independent European Initiative Nie [No]
—Trade Union of Miners
—Union of Free Trade Unions
—group of the activists of the PPS [Polish Socialist Party] (?)

Christian-Peasant Coalition:
—Christian-National Union
—Peasant Agreement
—Polish Convention (PK, SLCh, PChD) (?)

Peasant Alliance:
—Polish Peasant Party
—National Union of Agricultural Circles and Organizations

Political Folklore (?):
—Polish Beer Lovers Party
—Polish Party of the Bald
—ecological movements (?)

Polish political parties are beginning to unite. The election law forces them to form coalitions. However, the blocs are being formed according to labels rather than on the basis of real programmatic similarities.

### The Reformers

The coalition of the Democratic Union and the Liberal-Democratic Congress is very hard to form, and the possibility cannot be ruled out that it will not be formed at all. It may seem strange, but these parties, which call themselves "pro-reform," have great difficulties in communicating with each other. The liberals fear that they will have to make a compromise with the "Socio-liberals" of the Democratic Union in the Economic Program; the union representatives often doubt the high qualifications of their colleagues of the Liberal-Democratic Congress. Both parties are ranking pretty high in opinion polls; both believe as well that they are able to exceed the 5 percent limit by themselves, retaining their identity at that. The program of such an alliance would certainly entail a clear "pro-market" policy; however, philosophical differences (also within the union itself) would be hard to eliminate.

Some of the former "Solidarity" activists would like to join such an alliance; for example Jan Rulewski and Bogdan Borusewicz. If an "UD-liberal" were formed, it could be joined by the parties of the former Deputies' Club of the Polish Convention (SLCh, PChD, and PK).

### The Belvedere People

The possibility cannot be excluded that two parties of the Polish Convention (Peasant-Christian Party and Party of Christian Democrats) will leave the Convention and will participate in establishing another bloc, the presidential BBWR [Non-Party Bloc in Support of Reforms]. The BBWR has so far officially incorporated the Solidarity "Siec," Union of Employees' Property, Polish Union of Private Employers "Common Issue." The Union of Tatra Highlanders has declared its support for the bloc. It is also possible that also some citizens' committees will join the bloc; the Polish Erotic Party has also expressed willingness to join the BBWR.

Judging by the parties which form the BBWR, it is hard to tell what its program will be like.

### The Center Right

The coalition of the "Polish Union," which was formed last Saturday, consists of the Center Accord, Movement for the Republic, Movement for the Third Republic, Labor Party, Christian Democracy, and Clubs for the Service of Independence. The leader of RTR [Movement for the Third Republic] ardently encourages the Union for Real Politics [UPR] to join the alliance. Even though in the area of politics the Polish Union may prepare a joint program and demand file checking, decommunization, fight with scandals, and the recall of President Walesa, economic principles will be much harder to arrive at. The right-wing and market-oriented RTR and UPR may have very serious problems reaching agreement with the social-oriented RdR. The problem of the relation to the Church may also create a conflict: the group related to Antoni Macierewicz will certainly insist that the contacts with the hierarchy be tightened, which may encounter opposition on the part of activists of the former RdR.

### The Christians and the Peasant Representatives

ZChN [Christian-National Union] and the Peasant Agreement will form a Peasant-Christian coalition. The possibility cannot be ruled out that it will be joined by the Polish Convention parties; however, this seems less and less likely. The program of such an alliance would envision protection of the domestic industry and agriculture as well as maintaining the significant role of the Church in the public life.

The activists of the PSL [Polish Peasant Party], just as during the latest election, will include the activists of the National Union of Agricultural Circles and Organizations in their lists.

### The Post-Communists

The clearest programmatic proposal has been submitted most probably by the post-communists. The Democratic Left Alliance [SLD], which they have formed, has already incorporated a few dozen organizations. The strongest ones among them are: Social Democracy of the Polish Republic, OPZZ [All-Polish Trade Union Agreement] as well as other trade unions (including the Polish Teachers Union). Apart from this, the SLD lists include candidates of the Democratic Union of Women, Polish University Students' Association, and the Independent European Initiative. In order to become more credible, the SLD would be delighted to admit an organization that has not yet been related to the post-communists: After the split in the PPS, effected by Piotr Ikonowicz, it may well happen that some the socialists will join the SLD.

The program of the SLD will be akin to the modern programs of the social-democratic parties in the west. The anti-clerical and pro-abortionist alliance will be promising social security.

### The Political Folklore

It is likely that a bloc called "political folklore" will also run in the upcoming election. It could consist of the Polish Beer Lovers Party, Polish Party of the Bald, and minor ecological movements. Such a bloc would certainly support philosophical liberalism.

## Right-Wing Leader on Prospective Election

*WS2106141093 Warsaw Radio Zet in Polish 0615 GMT 21 Jun 93*

[Studio interview with Jan Parys, leader of the Movement for the Third Polish Republic, by Andrzej Woyciechowski; from the "Guest of Radio Zet" program—live]

[Text] [Woyciechowski] What is the Polish Union? Is it an electoral coalition that you created two days ago?

[Parys] Correct. This is the electoral coalition formed by the RdR [Movement for the Polish Republic], led by Jan Olszewski, the PC [Center Accord] led by Jaroslaw Kaczynski, the Action Poland, headed by Antoni Macierewicz, and me.

[Woyciechowski] Are there any serious differences between your party and the ones that you have just mentioned?

[Parys] I guess no party is free of differences and disputes. Even the communist or fascist parties were not devoid of them. As a pluralist grouping, we have different views on many issues. But it is common goals that hold us together. This is why we, placed on the same register roll, are going to run in the election with the same program.

[Woyciechowski] Will there be something like the legislative club of the Polish Union in the next Sejm?

[Parys] Yes, we intend to retain a single club also after the election.

[Woyciechowski] Who will be the leader of the Polish Union? Do you plan to elect him? Will the Polish Union be a political party?

[Parys] No, it will not be a political party. This is a bloc, a coalition uniting several groupings. Although we have no leader yet, each person is good in a specific area—some people are very useful at street gatherings, the others are good at conducting negotiations or, say, drafting programs. We will simply divide our work.

[Woyciechowski] What kind of electorate does the Polish Union have? Who do you think will vote for you? How many votes do you expect to collect?

[Parys] No man is a prophet in his own country. Of course, it would be the most favorable outcome for us if we gained 30 percent of the votes. This is extremely difficult, however, and depends a lot on how the campaign will run. It is just the beginning, and there are the whole 90 days ahead of us. I want to emphasize that the Polish Union is a union of three movements—the right-centrist, which is represented by my party, the Christian Democratic, represented by Jaroslaw Kaczynski, and the patriotic and independence-oriented one with Jan Olszewski at the helm. Those who identify themselves with one of those movements can join us.

[Woyciechowski] Everyone in Poland wants to be placed in the right-centrist part of the political spectrum—many parties or coalitions use this term to describe their position. Your adversaries, however, refer to your party as radical. Do you also have the feeling that you are more radical than other radical parties?

[Parys] I hope so. Maybe not as much radical as explicit. Our views are simply clear—we do not avoid difficult questions and openly express our value system. In my opinion, every party should disclose its ideology so that everyone can see what it stands for and what intentions it has. After all, the electors are entitled to know who they support and why.

[Woyciechowski] In terms ideology, how would you describe the other parties preparing to run in the election?

[Parys] Instead of specific parties, there will definitely be several blocs, which is a good thing. These include communist groupings; the government's bloc; the presidential bloc—supposedly a bloc of cooperation with the government, but apparently steered by the president; the Solidarity and the KPN [Confederation for an Independent Poland], which almost for sure will run on their own; the PSL [Polish Peasant Party]; and finally my bloc, the Polish Union, which I hope will come out first.

[Woyciechowski] You describe yourself as a right-centrist party. What party is rightist then?

[Parys] The Movement for the Third Polish Republic has called itself a rightist party for many months now. We are open to other non-leftist movements, but are not ashamed of our rightist nature. A Rightist Poland is quite a good slogan, and I wish it had been accepted as the leading one during the negotiations on 19 June. But I think that there will many opportunities for us to express our rightist nature.

[Woyciechowski] Is there any party placed still more to the right from the right-centrist parties on the Polish political landscape?

[Parys] Of course, there is. Take the Union for Real Politics [UPR]—it is a purely rightist party. Moreover, it might somehow cooperate with the Polish Union.

[Woyciechowski] Mr. Lech Pruchno-Wroblewski from the UPR attended your last meeting as an observer. Is it possible that the UPR might join the Polish Union?

[Parys] Yes, we are considering this, but no final decision has yet been made.

[Woyciechowski] What will be the electoral slogan of the Polish Union? What style of campaigning will it adopt?

[Parys] No slogan has been selected yet. If provided with access to radio or television, I could try to think up a slogan for every day. Today, for example, I would be glad to repeat what I said at the electoral meeting at the nurse's college several days ago—The Rightists Do Not Bite, They Kiss.

[Woyciechowski] Will your campaign be oriented against the president?

[Parys] No, we do not need this in our campaign. Our critical attitude toward the president is widely known as it is. Besides, it is the struggle for legislature that we are about to launch, not the anti-presidential drive. We will rather focus on disputes with our adversaries.

[Woyciechowski] What do you think about the BBWR [Non-Party Bloc for Supporting Reforms]? What chances of entering the Sejm does it stand in the upcoming election?

[Parys] I think that history is repeating itself but this time as a farce, as Karl Marx wrote 100 years ago.

[Woyciechowski, interrupting] You quoting Marx?

[Parys] Of course. After all, I spent several years studying Sovietology, and want to make no secret of the fact that it taught me a lot about the political struggle. In any case, I think that the chances of this bloc are very poor.

[Woyciechowski] Who do you think will be the most successful participants in this election? Do you believe that, for example, the SLD [Left Democratic Union] could become the main winner?

[Parys] No, I do not think so. People have good memories. I do not suspect our people of having amnesia.

[Woyciechowski] What will the Polish Sejm be like after the election? As undoubtedly fewer parties will make their way to the legislature, do you think that forging a government coalition will prove much less trouble for them than it was in the past? What parties will make up such a coalition?

[Parys] I hope that fewer parties will have less trouble in forming a government. Nobody, however, can guarantee this, because besides the number of the parties, another important factor is their ideological similarity. In fact, the majority of politicians fight not for positions but for certain values. So, following the election, the creation of a government by the rightist and leftist groupings may prove a very difficult and maybe even impossible thing. And it is not about someone's personal animosities or lack of cooperation, but about a different type of state and the society.

[Woyciechowski] From what you have just said, I can conclude that no party in the prospective legislature could obtain enough seats to be able to form a government, and that the problem of coalition will re-emerge?

[Parys] Why, I would not rule out this possibility. I believe that if we manage to get our program across to the electors and tell them what we are and why we have these kinds of convictions, this would dramatically boost the chances of the Polish Union. It would be enough to win 30 percent of the votes in order to receive 50 percent of the legislative seats.

[Woyciechowski] Do you think it is possible that some party could achieve the simple majority in the Sejm?

[Parys] I hope so. After all, the system of vote-counting under the present electoral law is most favorable for the parties that will receive most of the votes.

[Woyciechowski] And you think that the Polish Union will be one of those parties?

[Parys] Of course, I do.

[Woyciechowski] Is it part of your electoral campaign yet, or do you actually believe so?

[Parys] I actually believe so. In my opinion, people have suffered enough disappointments—caused not only by the Communists, but also by the policies over the past four years, which are mainly associated with the government's bloc, thick bottom line [term first used by former Prime Minister Mazowiecki who suggested ignoring politicians' activities during the previous regime in favor of their present merits], and the Mazowiecki and Suchocka governments. There are a lot of disappointed people who would turn their faces to the opposition.

[Woyciechowski] Will the electoral campaign be tough and brutal? I am asking you this question because many people believe that this is your party's style of campaigning.

[Parys] No, I do not think that it will be tough. I would like it to be a candid campaign, where the politicians are sincere and straightforward about their intentions and the electors are well-informed. But if GAZETA WYBORCZA, which asked me to describe the Liberal Democratic Congress, quotes me as calling names, it can no longer be called a fair campaign or political debate. So please do not accuse us of radicalism and disregard for any limits—just look at the others.

[Woyciechowski] Today, all the politicians claim that their campaign will be very civilized and refined, unless someone attacks them, of course.

[Parys] It is part of the electoral tactics to concentrate on one's own program. Economic matters, such as taxes, credits, protection of Polish enterprises against foreign competitors, etc., are the most important for me as a representative of a rightist party. They directly affect people's every-day life. And this is something that I would always like to talk about.

[Woyciechowski] How many members does the Movement for the Third Polish Republic claim? What is its structure? Where does it seek funds to support the campaign?

[Parys] My party emerged last year, when many people became disillusioned with the Belvedere's policies impeding the reforms—particularly the military reform conducted by me. This was the impulse that brought my movement to life. It was a spontaneous effort. I thought that Poland lacked an explicitly rightist party armed with a modern program, which would do good for the Polish political scene. Precisely described, it is a conservative national movement that has a deep respect for faith, private property, and law. These values stake out limits for our other activities and methods of operation.

## Melescanu Receives Lithuanian Foreign Minister

*AU2306130093 Bucharest ROMPRES in English 1123 GMT 23 Jun 93*

[Text] Bucharest, ROMPRES, 23/6/1993—The schedule of political contacts and concrete elements of cooperation in culture, education, science and health, issues regarding the consular ties between Romania and the Ukraine were discussed Wednesday, June 23, by the Romanian minister of foreign affairs, Teodor Melescanu, and his Lithuanian counterpart Povilas Gylys.

During the talks held in Bucharest, international issues were also tackled of interest for both parties, stress being laid on European integration, developments in the ex-Soviet space and in Bosnia-Herzegovina, sub-regional cooperation.

The Romanian-Lithuanian basic political treaty is going to be initialed and a protocol of cooperation between the two ministries of external affairs signed.

The head of the Lithuanian diplomacy will be received later on Wednesday by Romanian Premier Nicolae Vacaroiu and on Thursday, June 24, by Romania's President Ion Iliescu.

## Trade Minister Signs Protocol

*AU2306190393 Bucharest ROMPRES in English 1750 GMT 23 Jun 93*

[Text] Bucharest, ROMPRES 23/6/1993—Povilas Gylys, minister of foreign affairs of Lithuania, and Constantin Teculescu, Romanian minister of trade, signed a protocol in Bucharest, on June 23 between Romania's Government and the Government of the Republic of Lithuania on goods deliveries, services and payments in 1993.

The protocol stipulates Romanian deliveries of oil field equipment, industrial reinforcements, metallurgical and chemical equipment, hoisting and transport equipment, ship-building, tout-terrain cars, electronic and electrical engineering, chemicals and medicines, iron-and-steel goods, furniture and other consumer goods, fresh and tinned vegetables.

Imports from Lithuania will include polyethylene, wooden products, paper, cardboard, fur ready-mades, meat and meat products, leather substitutes and Morocco items, nitrogenous and phosphate fertilizers, accumulators, television sets and refrigerators, etc.

## Government Issues Statement on EC Meeting

*AU2306124193 Bucharest Radio Romania Network in Romanian 1000 GMT 23 Jun 93*

[Text] The spokesman of the Romanian Foreign Ministry, Mircea Geoana, held his weekly news conference today and presented the Romanian Government's statement on the meeting of the European Council in Copenhagen. Here is the text of the statement:

Romania's Government followed with great interest the meeting of the European Council held in Copenhagen on 21-22 June 1993 and noted its results with interest and satisfaction, particularly the decisions regarding closer association with Eastern and Central European countries.

The Romanian Government believes that these decisions will help gradually to strengthen European Community relations with the associated East European countries and will support the preparations made by those countries with a view to their association, as soon as possible, with the European Union, an act that is completely in agreement with the fundamental option of our country to be integrated in all European political and economic structures.

Romania's Government welcomes in particular the European Council decisions regarding the intensification of the many-sided political dialogue, by establishing an organized framework for an exchange of views and periodic consultations on issues of common interest so as to arrive at a joint approach at European level to pressing international problems.

Likewise, the Romanian Government expresses complete satisfaction with the additional measures adopted by the Council aimed at supporting the associated countries in their endeavor to join the European Union, facilitating the access of East European products to the EC markets—also by bringing closer the deadline regarding certain facilities included in the European association accords—increasing the volume of technical and financial assistance, and increasing the participation of East European countries in various EC programs, with a view to achieving the objective of all associated countries, namely to join the European Union.

As far as Romania is concerned, it shows complete willingness to cooperate as closely as possible and in a flexible manner with all those interested in the implementation of the adopted recommendations, which would be an important support in the process of accelerating democratic transformations and the transition to the market economy in our country. This would also represent a significant contribution to the efforts to consolidate peace both on a regional and European plane.

Romania's Government expresses on this occasion too its hope that our country, which has irreversibly embarked on the road of pluralist democracy and the market economy, will continue to benefit from the support of the EC and member states in its efforts to achieve its goals, including the goal of occupying its rightful place in the family of European countries.

## PSDT Calls For Early Elections

*AU2306171393 Bucharest AZI in Romanian 18 Jun 93 p 3*

[Oana Cioboata article: "The Traditional Social Democratic Party Favors a Government Reshuffle and Early Elections"]

[Text] At the news conference held at the headquarters of the Traditional Social Democratic Party [PSDT], Mr. Bogdan Pascu, party secretary general, expressed his option for early elections and an "urgent government reshuffle." This should be done by the Democratic National Salvation Front [FDSN], the party that won the elections and that "should not eschew fulfilling its electoral mandate." "A national unity government would be an attempt by the ruling party to take the chestnuts out of the fire with the cat's paw." As a matter of fact, according to Mr. Pascu, with the exception of the Democratic Party (National Salvation Front) and the Civic Alliance Party, all the other parties are unable to fulfill the mandate granted by the voters. Hence the need to organize early elections. Referring to Law No. 42, the PSDT leader said that it was a "national disgrace" and a lever whereby the current executive power is trying to confirm its legitimacy and prove that "it was the outcome of the revolution." This is completely wrong, because in December 1989 "the power was taken over by people who had been long before trained for this."

## May Economic Performance Statistics

*AU2306130493 Bucharest ROMPRES in English 0904 GMT 23 Jun 93*

[Text] Bucharest ROMPRES, 23/6/1993—The population consumption price [consumer index] growth rate was in May 1993 of 30.4 percent as to the previous month and of 225.9 percent as to the same month of the previous year, told a press conference held on 22 June Alexandru Radocea, president of the National Commission for Statistics.

This sensitive price growth during the month of May 1993 is the result of the introduction of the last stage of subsidies axing to some basic goods and services.

Price growth for food products in May 1993 was of 30.3 percent as to April 1993 and of 233.1 percent as to May 1992, while for non-edibles the growth rate reached some 32.5 percent and 225.8 percent respectively.

As for services, prices registered a growth of 23.8 percent as to the previous month and of 198 percent compared with those of May 1992.

Average take home salaries stood at 51,034 lei in May 1993, 33 percent higher than the previous month, and 188.2 percent higher than in May 1992, Radocea said. Enlarging upon the subject, Radocea mentioned that average take home wages were of 51,744 lei in industry, 3,623 lei [as received] in the building sector, 43,649 lei in agriculture, and 54.874 lei in transport.

Wages increased in May 1993 by 59.2 percent as against October 1990, 88.4 percent on May 1992, and 102 percent on April 1993.

May is the fifth month on a row for which an increase in the industrial output was reported in comparison with the same period of last year, mentioned Radocea.

Grain areas are in a much better state than last year's, which, in Radocea's opinion, will result in a much better production and in substantive drops in the import of grains. The animal breeding sector reported encouraging data in May as compared with the start of the year, that is, increases of 298.7 thousand heads as far as cattle are concerned, of 1,117.5 heads in the number of pigs; as for sheep and goats, the increase stood at 2,996.9 heads.

Speaking of foreign trade, Radocea said that both imports and exports reported growth, but the level of exports was nevertheless lower than that of imports, so that a deficit of $98 million was reported.

Retail sales dropped in may by 22.6 percent as against April and by 33.2 percent as against the similar month of last year, said Radocea.

As for the unemployed, 1,031,332 were reported on June 14, namely 7,900 less than on May 17. The unemployment rate stood at 9.3 percent in June, the same as in May.

## Bucharest Court Conditionally Releases Bobu

*AU2306160793 Bucharest ADEVARUL in Romanian 19-20 Jun 93 p 1*

[Unattributed report: "Emil Bobu Released From Prison"]

[Text] On Friday [18 June] the Penal Section of the Bucharest Municipality Court judged the appeal forwarded to it by Emil Bobu, former secretary of the CC [Central Committee] of the PCR [Romanian Communist Party], one of the members of "the group of the four" (besides [Ion] Dinca, [Tudor] Postelnicu, and [Manea] Manescu), by which Bobu contests the decision passed on 28 May 1993 by the Bucharest 5 District Court rejecting his request to be conditionally released from prison.

The Bucharest Municipality Court has accepted Emil Bobu's appeal and has conditionally released him from prison.

**Foreign Media Bulletin: Balkan Crisis 24 June**

*WA2406163093*

*The following is an overview of current FBIS reporting on events in the Balkans. It supplements other FBIS reporting and consists primarily of selected summaries of longer reports. For reference purposes, serial numbers of the longer reports are provided.*

## SUMMARY

***Bosnian Serb leader Karadzic offers to trade Serbian areas of Sarajevo for Muslim enclaves in east Bosnia; Bosnian Presidency members reject proposal ... Stalemate in Croatia-Krajina Serb talks reported ... Krajina assembly prepares for unification with Bosnian Serbs.***

## POLITICAL

KARADZIC PROPOSES TRADE OF TERRITORY (BBC, TANJUG, AFP): At the Geneva peace talks, Bosnian Serb leader Karadzic says Serbs should be given one-third of Sarajevo but that he is willing to "hand over" the city in exchange for Srebrenica and Gorazde. Explaining the Serbian plan to partition Bosnia, Karadzic proposes a "Croatian entity" consisting of two parts bordering the Republic of Croatia, a divided "Muslim entity" in central Bosnia and in the western pocket of Bihac, and a single Serbian unit with a corridor in the north connecting two Serbian areas. Bosnian Presidency delegation head Boras says that he is "willing to discuss a confederation along ethnic lines" but rejects Karadzic's trade proposal, saying that Karadzic has "nothing in Sarajevo to exchange" and that such a move would require "large movements of population." (LD2406113893, LD2306181193, AU2406134193)

STALEMATE AT KRAJINA-CROATIA TALKS REPORTED (TANJUG, Zagreb Radio): Croats, Krajina Serbs reach impasse during Geneva peace conference over what topics should be discussed at the talks. Krajina representatives objected to their status at the talks, saying that international mediators should recognize Krajina as a separate state, not as a minority within Croatia. Croatian delegation head Degoricija said the talks had "drifted away" from "realistic" issues because the Serbs were "trying to impose their own agenda." (LD2306200693, LD2406082593)

KRAJINA ASSEMBLY PREPARES FOR UNIFICATION (TANJUG): Krajina Serbs announce that they will set up a "joint commission of experts" to draw up a constitution for "the new state" of Serbs in Croatia and Bosnia. The Krajina assembly ratified the results of the 19-20 referendum, during which "98.61 percent" of Krajina Serbs voted to unite with Serbs in Bosnia. (LD2306153893)

### Presidency Members Hold News Conference

*AU2406150993 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 24 Jun 93*

[Nada Al-Isa report]

[Text] Seven out of nine members of the Bosnia-Herzegovina Presidency who took part in the conference on Bosnia-Herzegovina in Geneva held a news conference in the Palace of Nations today. Among others, they told correspondents that as the collective body acting in the role of the chief of state, the Presidency wants to play an active role in further resolving the Bosnian crisis and be [words indistinct] the international community.

After the session that is supposed to be held in Zagreb and Sarajevo tomorrow—if the UN Protection Force secures safe travel—the Presidency is supposed to [word indistinct] negotiate with the European [words indistinct] in Geneva on Sunday [27 June] to hold talks with Lord Owen and Thorvald Stoltenberg.

Franjo Boras, who was the first to speak, assessed the talks as positive. We discussed Bosnia-Herzegovina's stately and political constitution on the basis of the Vance-Owen plan, as well as the basis of new ideas and initiatives, Boras said.

Fikret Abdic, however, believes that the current situation in Bosnia-Herzegovina demands a greater involvement by the chief of state in Bosnia-Herzegovina and under the present circumstances, this means the entire Presidency, he said. Abdic rejected all hints that he is selling out Bosnia and betraying the Muslims and said that the new initiatives on the confederal constitution were a result of earlier talks in which Alija Izetbegovic [president of the Bosnia-Herzegovina Presidency] also participated. Abdic said that the Presidency will consult the institutions and (?the people) of Bosnia-Herzegovina and not merely Izetbegovic and Ganic and put forward its proposals afterward.

Some other members of the Presidency also spoke at the news conference. This is what they said in brief: Presidency member Tatjana Ljujic-Mijatovic said that all legal institutions in Bosnia-Herzegovina will be informed of the proposal on the confederal constitution. Mirko Pejanovic particularly stressed that the cochairmen of the conference proposed that the Presidency be the partner in the talks on solving the Bosnia-Herzegovina crisis. [Name indistinct] believes that the Vance-Owen plan is not dead but simply has to be amended to be acceptable to all three sides.

### Presidency Willing To Discuss Ethnic Confederation

*AU2406134193 Paris AFP in English 1314 GMT 24 Jun 93*

[Text] Geneva, June 24 (AFP)—Bosnia's collective presidency said Thursday [24 June] they were willing to discuss a confederation along ethnic lines in Bosnia-Herzegovina, but there could be no question of a sell-out of Bosnian interests.

Franjo Boras, who heads the presidency delegation to U.N.- and E.C.-sponsored talks here with Bosnian Croat and Serb representatives, said the delegation would consider "any solution which would guarantee the equality of each ethnic group in Bosnia-Herzegovina.

"But we would definitely not accept, or only with difficulty and a painful heart, a solution based on territorial gains," he told reporters against a background of intensified fighting back home.

Fikret Abdic, who controls the Moslem enclave of Bihac, said flatly: "We are not here to sell out Bosnia."

Boras said U.N. forces had been asked to escort delegation members back to Sarajevo Friday to consult with President Alija Izetbegovic—who is boycotting the talks—as well as with the army and parliament.

He denied suggestions that Izetbegovic had been deposed by the collective presidency, saying he remained at its head, if only in the role of "primus inter pares," or first among equals.

The delegation said it would meet with the European Community troika—past, current and next chairmen in the E.C. system of rotation—in Brussels on Saturday.

E.C. negotiator Lord Owen spoke by telephone Wednesday with Izetbegovic and his deputy, Ejup Ganic, both Moslems, urging them to take part in the negotiations.

Later Thursday, Bosnian Serb and Croat representatives met to discuss proposals to split Bosnia-Herzegovina into three ethnic states in a loose federation.

The Bosnian Serb and Croat leaders, Radovan Karadzic and Mate Boban, were cautious about talking of proposed maps however. "Maps are very sensitive matter. It has to be worked out," Karadzic said.

The presidency delegation, composed of three Croats, three Serbs and one Moslem, has refused to negotiate directly with Karadzic and Boban.

It rejected the Bosnian Serb proposal to exchange Moslem enclaves in the east for part of Sarajevo, because this would "imply large movements of population, and there is nothing Mr. Karadzic has in Sarajevo that he could exchange," Boras said.

Boras gave no other details nor comment on the Croatian-Serbian plan to divide Bosnia-Herzegovina into three ethnic states, which Lord Owen described after the first day of talks Wednesday as disappointing because of the "vagueness" of the proposed borders.

Owen had also said U.N. mediator Thorvald Stoltenberg "didn't like" some of the proposals they had heard. The actual plan under discussion has remained secret.

Owen and Stoltenberg met Wednesday with the plan originators, Croatian President Franjo Tudjman and Serbian President Slobodan Milosevic—patrons of separatist Bosnian Croats and Serbs who have wrested some 90 percent of Bosnia from the mainly Moslem government in 14 months of fighting—before both men went home Wednesday evening.

On his arrival here Wednesday, Karadzic said the Bosnian Moslems should be happy with 30 percent of Bosnian territory. He said they would be well advised to negotiate because it was their last chance to set up their own state.

Observers linked reports of a serious flareup of fighting between Croats and Bosnian army forces in central and southern Bosnia to the talks here, with both sides trying to seize territory in advance of any definitive delineation of boundaries.

Similar fighting accompanied negotiations under the discarded Vance-Owen peace plan, which would have established 10 semi-autonomous provinces within a unified country.

Though unconfirmed, the Serb-Croat plan would apparently give the Serbs a huge block of Bosnia adjacent to Serbia proper, and the Moslems and Croats two separate, noncontiguous, blocks each.

### Izetbegovic Says 'No Rift' in Presidency

*AU2306194093 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 23 Jun 93*

[Text] Immediately upon returning to Sarajevo, Alija Izetbegovic, president of the Bosnia-Herzegovina Presidency, held a news conference in the International Press Center. A short report on this newscast was prepared by Nada Rajkovic:

[Begin recording] [Rajkovic] At the very beginning of the news conference, the journalists were interested in whether the stories about the rift within the Bosnia-Herzegovina Presidency were true. Alija Izetbegovic, president of the Presidency, replied:

[Izetbegovic] There is no rift, but there is difference of opinion.

[Rajkovic] The next question was whether one of the negotiators, namely Lord Owen, was to be held responsible for the rift within the Presidency:

[Izetbegovic] [Words indistinct] destruction of Bosnia-Herzegovina and [words indistinct] that he has been trying most sincerely to [words indistinct]. Therefore, I would like to say once again, there is no [words indistinct] in the Presidency. (?There were various opinions) [words indistinct]. At this moment, [words indistinct] (?is considered) that [words indistinct] believe that the [words indistinct]. [Words indistinct] consider that it is useful that we have arrived in Sarajevo today, that (?the consultations should be held here) [words indistinct] incumbent organs and then, perhaps, opt for further talks here, [words indistinct]. Simply, a number of [words indistinct] were a little more inquisitive and (?wanted) to hear [words indistinct] a compromise solution [words indistinct] very important [word indistinct], we are holding consultations [words indistinct] a day or two.

[Rajkovic] When asked whether the proposal for the confederalization of Bosnia-Herzegovina was acceptable and whether [words indistinct] of the Vance-Owen plan is acceptable, Mr. Izetbegovic answered:

[Izetbegovic] You know that the Vance-Owen was embraced by the Bosnia-Herzegovina Assembly. Bearing in mind that this plan has the support of the Assembly, I believe that nobody of us, here, is authorized to change anything in this [word indistinct]. This is a very important (?decision) and I believe that it will be necessary that other (?incumbent bodies) examine all the options (?in the light of) the events in Bosnia-Herzegovina, in the world, [words indistinct] international community, and so forth. Therefore, [words indistinct] political parties, and all political factors. [Words indistinct] important [word indistinct] the situation once again. (?If you ask for) my personal opinion, I believe that the confederalization of Bosnia is not [word indistinct]. [Words indistinct] a new round of ethnic cleansing, or, in inverted commas, humane transfer of population, or something similar. However, [words indistinct] do not need to [words indistinct] do not count in this respect, as the opinions of [word indistinct] do not count.

[Rajkovic] This is only a brief sample of questions of today's news conference by Alija Izetbegovic, president of the Bosnia- Herzegovina Presidency, which will be broadcast fully as a supplement after the newscast. [end recording]

### Report Views Izetbegovic's Position

*AU2306180693 Paris AFP in English 1737 GMT 23 Jun 93*

[By Olivier Baube]

[Text] Sarajevo, June 23 (AFP)—Bosnian President Alija Izetbegovic is still firmly in control here, but his political life could be shortened by the outcome of the Geneva conference on possible partition of Bosnia-Herzegovina.

The conference has been boycotted by Izetbegovic and his vice president Ejup Ganic, but attending instead are six members of the multi-ethnic collegial presidency who split with Izetbegovic and Ganic at a meeting in Zagreb on Tuesday.

Kemal Kurspahic, the executive editor of the Sarajevo daily Oslobodenje, said Wednesday that although Izetbegovic has baulked at accepting the latest proposal to carve up the former Yugoslavia, he may have no other

choice but to accept a compromise offer that may be reached at the Geneva conference.

Otherwise, Kurspahic said, the president may find himself isolated especially if military leaders endorse an offer that they would consider a fair and honorable way out of 14 months of bloodshed.

But for now, despite having snubbed the conference, Izetbegovic is still considered Bosnia's leader, at least in the capital of Sarajevo, and he is backed by the mainly Moslem Bosnian army.

Beyond the capital the leadership is scattered depending on who controls any specific region.

In regions controlled by the Serbs, which amounts to 70 percent of Bosnia, power is concentrated in the self-declared Bosnian Serb capital of Pale.

In regions controlled by the Moslems in Herzegovina to the south, the leadership is in the hands of Mate Boban, who has tight relations with the Zagreb government.

Trying to define the leadership of the government-controlled regions is less clear as many of these areas are isolated from Sarajevo, thus allowing some of Izetbegovic's rivals in the collegial presidency to impose their own rule outside the capital.

Such is the case in the northwestern enclave of Bihac where Fikret Abdic, a member of the collegial presidency, has set up his power base.

In essence the collegial presidency, which is supposed to rotate and is based in Sarajevo, is collegial only in name as most of its members have left Sarajevo.

The presidency, which is supposed to represent the country's ethnic makeup of 44 percent Moslems, 31 percent Serbs and 17 percent Croats is made up of ten members.

Two of them are Moslems—Izetbegovic and his rival Abdic; two of them are Croats—Franjo Boras and Miro Lasic; two are Serbs—Mirko Pejanovic and Tatjana Ljvic-Mijatovic; and the seventh member is Yugoslav—Ejup Ganic who represents other minorities in the country and is said to be allied with Izetbegovic.

The presidency was set up prior to the war in Bosnia-Herzegovina and prior to the carve-up of the country and as such its role is no longer considered very effective.

Observers say the delegation sent to Geneva has little or no real influence in Sarajevo, whose leadership in the end may have the final say as to Bosnia's future.

## Karadzic: Serbs Willing To Exchange 'Some Land'

*LD2406113893 London BBC Television Network in English 2130 GMT 23 Jun 93*

[Interview with Radovan Karadzic, Bosnian Serb leader, by correspondent Peter Snow in Geneva; from the "Newsnight" program—recorded]

[Text] [Snow] What do you understand to be the nature of the offer that is being made on territory and on the political future of Bosnia to the Bosnian government now?

[Karadzic] Well I can't comment on events on this conference, but I could possibly tell you what Serbs are proposing all the time. We have proposed to form three sovereign states and to make Bosnian confederation with some central authorities.

[Snow] So there would be some kind of central Bosnian government in a Bosnia that was in the same frontiers as it had under President Tito?

[Karadzic] Well external borders would be the same, but internal borders should be established right now according to ethnic distribution, and common goods and so on.

[Snow] What about the capital Sarajevo and the enclaves of Goradze and Zepa?

[Karadzic] Well the city of Sarajevo which was Serbian majority 15 years ago—before the war there was 300,000 Muslims and 200,000 Serbs. We should divide this city: two thirds to Muslims, one third to Serbs, but we are ready to hand over the city proper to the Muslims for some exchange for very small towns of Srebrenica and Goradze, and we can give something—the whole city proper to the Muslims, and then some towns surrounding [words indistinct] to connect Sarajevo to central Bosnia.

[Snow] So let's be clear on what you are saying. You are saying that if the Bosnian-Muslim government now says it will give up Srebrenica, Goradze, and Zepa, they can have the whole of Sarajevo?

[Karadzic] Exactly, we are ready for the trade, we are ready for the exchange because its going to be for good and we should avoid any further conflict, so to consolidate Muslim territory, Serbian territory, and to avoid any conflict any longer.

[Snow] Now you will still end up of course with a lot more Bosnia in Serb hands than you had before this fighting started?

[Karadzic] Well we own 64 percent, we are majority on 64 percent of territory, we protected all of 64 percent and for strategic reasons we took some seven percent and we will give it back.

[Snow] Well one can argue about what you owned before, but the point is that the Bosnian-Muslims were the largest single part of the population of Bosnia and they will end up with the smallest bit of it.

[Karadzic] Yes, but they lived and concentrated in a central part of country, and there are also Hungarian land register, exactly showing that Serbs own 64 percent, there is no guesses about it—just this is Serbian land, but still we are ready to negotiate, and if under the condition that war stops immediately we will give up some land.

[Snow] One thing that particularly worries the Bosnians—the Bosnian-Muslim government is access to the sea, what about that and what about access perhaps to the rivers—the Sava and the Danube this way?

[Karadzic] We could help them to have an access to port at [words indistinct] or we will share Brcko and port together with them, and I think Croats are not ready to give them access to the sea, but they are ready to give them a free zone in port of Ploce.

### Seeks 'Corridor'

*LD2306181193 Belgrade TANJUG in English 1745 GMT 23 Jun 93*

[Text] Belgrade, June 23 (TANJUG)—Bosnian Serb leader Radovan Karadzic said in Geneva on Wednesday that Serbs in Bosnia-Herzegovina were prepared to give up between 2,000 and 4,000 square kilometres they presently control.

As reported by the AGENCE FRANCE PRESSE, Karadzic confirmed that Bosnian Serbs and Croats have made their own maps of Bosnia-Herzegovina dividing it into three entities—Moslem, Serb and Croat.

For the past 15 months, the Former Yugoslav Republic of Bosnia-Herzegovina has been the scene of a brutal civil and religious war between the local Moslems, Serbs and Croats.

Karadzic said that the Serb entity would be a single unit with a corridor in the north which would provide the link betweeen the Serb provinces. Without the corridor "we cannot survive," said Karazic.

Karadzic also said that the Croat entity would consist of two parts, both bordering with the parent state of Croatia, while the Moslem entity would be in the central and western part of Bosnia-Herzegovina.

Karadzic also said that the Serb side was prepared to either recognize three Moslem enclaves in eastern Bosnia-Herzegovina or to exchange them if Moslems agree.

Karadzic commented the fact that the Bosnian Moslem presidency arrived in Geneva to take part in the talks on Bosnia instead of Bosnian leader Alija Izetbegovic, who refused to participate, and said that the presidency members are not as much "fundamentalist minded" as Izetbegovic.

The Moslem-Croat presidency of Bosnia was divided over the Serb-Croat proposal on division of Bosnia-Herzegovina into three ethnic entities within a confederation.

Izetbegovic and Ejub Ganic, the presidency vice-president loyal to Izetbegovic, have suggested that the proposal should be rejected and that the presidency should not go to Geneva, but the other seven presidency members outvoted them.

### Geneva Talks Resume as Fighting Intensifies

*AU2406094593 Paris AFP in English 0910 GMT 24 Jun 93*

[By Hugh Nevill]

[Text] Geneva, June 24 (AFP)—Talks on dividing Bosnia-Herzegovina into tiny ethnic states linked in a loose confederation resumed in Geneva Thursday [24 June] amid reports of intensified fighting on the ground.

European Community mediator Lord Owen expressed disappointment during the first day of talks Wednesday—boycotted by Bosnian President Alija Izetbegovic—at the "vagueness" of the proposed borders, and added that he and U.N. mediator Thorvald Stoltenberg "didn't like" some of the proposals they had heard.

The plan was put forward by Presidents Franjo Tudjman of Croatia and Slobodan Milosevic of Serbia, the patrons of the separatist Croats and Serbs who have wrested some 90 percent of Bosnia from the mainly Moslem government army in 14 months of heavy fighting.

Tudjman and Milosevic went home Wednesday evening, but the talks were due to resume Thursday afternoon between a seven members of the multi-ethnic Bosnian presidency who have split with Izetbegovic, the mediators, separatist Serb leader Radovan Karadzic, and Bosnian Croat leader Mate Boban, who did not attend the Wednesday session but was expected to arrive in Geneva Thursday.

Sources made it clear Wednesday that no progress had been made during what was basically an exploration of the plan, and Franjo Boras, the leader of the presidency delegation, said its members were here "to listen, not to negotiate."

Observers linked reports of a serious flaring of fighting between Croats and Bosnian army forces in central and southern Bosnia to the talks here, with both sides trying to seize territory in advance of any definitive delineation of boundaries.

Similar fighting accompanied negotiations under the discarded Vance-Owen peace plan, which would have established 10 semi-autonomous provinces within a unified country.

Few of the details of the current plan have been made public, but it would apparently give the Serbs a huge

block of Bosnia adjacent to Serbia proper, and the Moslems and Croats two separate, non-contiguous, blocks each.

Analysts find it hard to imagine how these could be viable on their own, and envisage a de facto incorporation of the Serb regions into Serbia and the Croat regions into Croatia.

That would leave the Moslems with what would become two small and extremely vulnerable enclaves.

The new plan is similar to one which the Bosnian government initially accepted in March last year, before the war broke out and while the republic was still part of Yugoslavia. But the government—fighting for a multi-ethnic state—later renounced that scheme, saying the negotiators had not realised it would split the country on ethnic lines.

The new plan would necessarily involve vast population movements on top of those already taking place as "ethnic cleansing" sweeps through whole regions.

It would make life particularly complicated for those in mixed marriages—27 percent of all couples—and their children, who call themselves Bosnians because they do not identify with any one group. All are southern Slav, in any case, and speaking the same language, with only minor regional variations.

The West meanwhile remains divided, with the United States and Germany pushing for the lifting of an arms embargo to allow the outgunned Bosnian army to acquire weapons.

Most of its weapons and ammunition previously came through Croatia which took a "tax" of 25 to 50 percent of the equipment, according to Bosnian sources, but an uneasy alliance against the Serbs between the Croat and Bosnian army troops has collapsed, drying up the supply routes.

Smugglers and home production cannot provide the quantities needed if the war continues, and the Bosnian forces have few tanks or artillery guns.

That would leave air-drops as the only feasible alternative, but one which might provoke a withdrawal of the 8,000-strong U.N. Protection Force for fear of retaliation, and an end to the relief convoys which keep tens of thousands of Bosnians alive.

### Muslim, Croat Fighting in Several Regions

*LD2306151693 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 23 Jun 93*

[Report by correspondent Zdenko Vranjes]

[Text] This morning, Muslim artillery repeatedly pounded Kresevo. Three people were killed and four wounded. There are also dead and wounded in Vitez which is being pounded today by the Muslim forces' mortars from Kruscica.

The Third Central Bosnia Operational Zone of the Croatian Defense Council [HVO] reported that an infantry attack by the Muslim army has been repelled in the Kiseljak area. The Muslim offensive in central Bosnia is continuing.

Fierce battles raged last night in the Puticevo area east of Travnik. Throughout the night and this morning the Muslim army tried to penetrate the free area of Gornje and Donje Puticevo. The attacks were repelled, the 3d HVO Travnik Brigade has reported.

Today, one of the many talks between HVO commanders and the Muslim army should have taken place in Kakanj. Colonel Tihomir Blaskic set off for this meeting but he had to turn back after his vehicle came under fire in the village of Puzi. Kakanj's refugees and the grave situation faced by the remaining Croats in this municipality should have been discussed at the meeting. About 550 Croats from the village of Catici are still at the UN Protection Force [UNPROFOR] base in Kakanj. They found refuge there from Muslim attacks. They are refusing to return home.

About 1,000 refugees set off today for Herzegovina while the others remain in the streets with no food, medicine, water, and electricity.

In Mostar, where gunfire continues to be heard, the Muslim Democratic Party held a news conference. Its president, Armin Pohara, called on Muslim leaders from Sarajevo to stop manipulating people and accept a realistic solution for all three peoples in Bosnia-Herzegovina and their agreement on peace and the future shape of the country. We do not need a country with no people. It is absurd, therefore, to reject negotiations in circumstances when due to the military balance of power the Muslim people can achieve nothing through war, while a great deal can be achieved through negotiations and a peaceful solution, Pohara said.

He noted that the Muslim military and political leaders from Sarajevo opposed the Vance-Owen plan and attacked central Bosnia to wreck this plan. Now, Pohara said, they can only lament over that opportunity. I am afraid, Pohara added, that by rejecting negotiations they will soon lament over a confederation.

Commenting on the Bosnia-Herzegovina Presidency's session in Zagreb, Pohara said that it had at last conveyed to the world the extent of Izetbegovic's legitimacy and that he can no longer represent Bosnia-Herzegovina and the Muslim people alone at the same time. The Muslim Democratic Party demands that Ejup Ganic, member of the Bosnia-Herzegovina Presidency, in his capacity as a Yugoslav, should resign and that his post be taken over by Selim Beslagic, mayor of Tuzla. The exodus of Croats from central Bosnia is the Muslim people's shame and responsibility. The Muslims should

stop this process, Pohara said adding that while seeking ways of reaching agreement between the Muslims and Croats, the Muslim Democratic Party supports Fikret Abdic.

## UNPROFOR Denounces 'Ethnic Cleansing' by HVO

*AU2306200693 Paris AFP in English 1940 GMT 23 Jun 93*

[Text] Sarajevo, June 23 (AFP)—The United Nations Protection Force (UNPROFOR) Wednesday denounced continuous ethnic cleansing of Moslem villages by Croatian HVO forces as Moslem troops and the HVO clashed in heavy fighting in southern and central Bosnia.

The U.S. envoy to Sarajevo, Victor Jackovich, meanwhile said the United States continues to support the independence, sovereignty and territorial integrity of Bosnia and Herzegovina.

"The HVO has been terrorizing Moslems in the villages and suggesting that they should leave" from near Vares for several days, a UNPROFOR officer said.

On Tuesday they forced residents of three villages to leave their houses, he said, quoting reports by Croatian and Moslem witnesses.

There was a "continuous process" of ethnic cleansing near Vares in central Bosnia where "Moslem families are being told, get out and pack your bags, out."

Vares was at the center of heavy fighting between Moslems and Croats earlier this year.

The officer said HVO troops were also ethnically cleansing the Croat-controlled town of Kiseljak, near Sarajevo, deporting Moslems practically for the first time since the start of the war 15 months ago.

Moslem government troops have denied that Croats were being chased from their houses after President Alija Izetbegovic, a Moslem, said Croats living in the region must be protected by them.

The UNPROFOR officer said Moslem troops forced Croats to leave the central Bosnian town of Novi Travnik.

In central and southern Bosnia-Herzegovina Croat and Moslem forces clashed heavily Wednesday, according to military sources from both sides.

The fighting was particularly heavy in southern Mostar, the main town of Herzegovina, where Croat forces "threatened Moslems with extermination," radio Sarajevo reported.

Croat forces polled residents of several villages in the Mostar region if they were in favor of expelling Moslem residents, the radio said, quoting Moslem refugees.

In the town of Dubrave, 20 kilometers (12 miles) southeast of Mostar, 70 percent of Croats said they wanted to continue to live with their Moslem neighbors.

The radio said Croats continued their ethnic cleansing among the 30,000 Moslems living in the part of the town under their control. Half of Mostar's population is Moslem.

Some 6,000 Moslems have been expelled from Mostar, 1,000 apartments occupied by Moslems have been ransacked and put on fire and five mosques have been destroyed, the radio said.

Mostar, one of the most scenic towns in the former Yugoslav republics, is being turned into rubble and its most famous site, the 16th-century bridge over the Neretva river, which has been listed by UNESCO, is in danger of collapse due to heavy shelling.

In Belgrade, UNHCR spokeswoman Lyndall Sachs said humanitarian convoys left the Yugoslav capital Wednesday for the east Bosnian enclave of Zepa, and Sokolac and Bijeljina in northwest Bosnia.

On Thursday convoys would also leave for Srebrenica, another Moslem enclave in eastern Bosnia, as well as for Vlasenica, Visegrad, also in eastern Bosnia, and Sarajevo.

Srebrenica, one of six U.N. safe areas in Bosnia which have been demilitarized by the U.N., has been without water supplies for some time but works were underway to restore water mains, Sachs said.

The Serb-besieged town was shelled Wednesday but nobody was injured, Radio Sarajevo said. Several of a total of 12 shells were fired from nearby Serbia, the report said.

U.S. Ambassador Jackovich told President Izetbegovic on Wednesday that the United States would "continue to support the independance, the sovereignty and territorial integrity of Bosnia and Herzegovina."

"The United States policy is aimed at achieving a lasting and equitable settlement" of the Bosnian crisis, the envoy said as he presented his credentials to Izetbegovic.

He said the United States was committed to the protection of U.N. forces in Bosnia, humanitarian assistance and economic sanctions against rump Yugoslavia for its role in the Bosnian war, adding that "We remain prepared to turn to tougher measures."

## Boban Sets Demands on Morillon, Morris

*LD2306162693 Zagreb Radio Croatia Network in Serbo-Croatian 1300 GMT 23 Jun 93*

[Text] Mate Boban, president of the Croatian Community of Herceg-Bosna, sent a letter today to Philippe Morillon, UN Protection Force [UNPROFOR] commander for Bosnia-Herzegovina, and Nicholas Morris, UN High Commissioner for Refugees [UNHCR] special

envoy for the former Yugoslavia, regarding the tragic situation of the Croatian population of central Bosnia.

The Croatian people of central Bosnia, according to the letter, are on the verge of extermination and annihilation in areas where they have lived for 13 centuries. You and your soldiers are witnessing the barbaric destruction and desecration by Muslims of the oldest religious shrines of our people. Kraljeva Sutjeska, Guca Gora, and many other places represent the spirit of the Bosnia- Herzegovina that we Croats have been defending and trying to reconstruct along new lines. Over 100,000 people, women, children, and the infirm are under direct mortal threat. It appears that the tragic fate of Travnik, Kakanj, Kraljeva Sutjeska, Kresevo, Fojnica, Busovaca, Vitez, Kiseljak, and Novi Travnik means nothing to you.

Do Sarajevo, Vares, Bugojno, Zenica, Zepce, or Tuzla have to experience the same future while you continue to fail to identify the cause of evil? Mr. General, I demand that you enable all the Croats from the areas under threat to freely leave and enter—if they so wish—Bosnia-Herzegovina's free territories under the protection of your formations, in line with your promise at the Medjugorge meeting on 10 June. In addition to this I also demand that, in line with the mandate of your forces, you secure immediate access for humanitarian convoys to the towns of central Bosnia which are teeming with refugees and the displaced. Vares, Kiseljak, Kresevo, Busovaca, Vitez, Novi Travnik and other places will not be able to cope with the pressure mounted by Muslim aggression unless you meet our demand.

Sir, the Croats of Bosnia-Herzegovina have so far provided the UNPROFOR, the UNHCR, and all other organizations and well- intentioned people with everything they needed, although we do not need you. Nor have we demanded any kind of help from you. This is why I demand—for the first and last time I demand that the United Nations provides effective protection for our people; otherwise we will be forced to invoke our inalienable right to individual and collective self-defense, which is guaranteed under the UN Charter and is in line with positive international regulations and rules.

I demand that you take every necessary measure and let me know about the results of your efforts within 24 hours, the letter states.

### Blames Izetbegovic

*LD2306114993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1113 GMT 23 Jun 93*

[Text] Zagreb, 23 Jun (TANJUG)—Mate Boban, president of the [Bosnian] Croat Community of Herceg-Bosna, sent a letter to UN Secretary General Butrus-Ghali and to Lord Owen and Stoltenberg, cochairmen of the peace conference on former Yugoslavia, stressing that the Croat side is willing to continue to negotiate on the basis of "new proposals for Bosnia-Herzegovina." These proposals provide for "the constitution of Bosnia-Herzegovina as a common state of the three nations and their territorial and political entities."

Bosnia-Herzegovina can and must be constituted as an association of the three constituent nations with equal rights and its internal organization must be a fair reflection of the nations' political will, Boban said. "Bosnia-Herzegovina's external borders are inviolable and undisputable" but internal demarcation lines "can and must be on the agenda of political negotiations," Boban said.

Following the directions of Owen and Stoltenberg, the highest political representatives of the Croat nation in Bosnia-Herzegovina have had consultations with Muslim and Serb representatives, Boban pointed out, stressing that "a high degree of accord" and readiness for ending of hostilities was evident and that it should be accompanied by a realistic and efficient political process to solve the crisis. According to Boban, however, there are still significant obstacles in the way particularly "on the part of a section of the Muslim political leadership, which is openly indicating a lack of will for a peaceful resolution."

The president of the Bosnia-Herzegovina Presidency without a valid mandate, Alija Izetbegovic, is the leader of this camp in the Muslim political leadership and that is why the Croat people and their political leadership hold him most responsible for the continuation of the war, Boban wrote in his letter to Butrus-Ghali.

### B-H Army Denounces Karadzic, Boban Alliance

*AU2306111693 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 0800 GMT 23 Jun 93*

[Text] The Bosnia-Herzegovina Army Press Center has issued a public statement in connection with the demands by Mate Boban for a radicalization of the situation in Bosnia-Herzegovina—intended as a smokescreen for his policies—and the capture of Jablanica and its hydroelectric power station, Gornji Vakuf, and Bugojno.

The situation in central Bosnia is evidently ruinous for the Croatian Defense Council [HVO], and its behavior will have the most damaging effect on the Croatian people in Bosnia-Herzegovina and in Croatia. The pact with Karadzic, which Boban will most likely have to sign in the Cyrillic alphabet, has put the Croatian people in the position to think about Grude what they used to think about Belgrade. Despite the HVO's cry for help to the chetniks, the Croats, remembering Vlasic [the scene of the surrender of HVO troops to Serb forces], reject that. Their Catholic honor does not allow them to follow the Belgrade dictate from Grude.

Croats started returning to Kakanj yesterday, but that does not affect Boban's plan, as devised with Karadzic, to attack Konjic, Jablanica, Gornji Vakuf, and Bugojno simultaneously and in an alliance with the chetniks. That is why we have to inform the public, particularly in

Croatia, that Boban and [word indistinct] have issued an order to [Dario] Kordic, saying: Do not negotiate with the Bosnia-Herzegovina Army at any cost. The chetniks are our allies these days and in this region. Neutralize all those who attempt to cooperate. If you have to withdraw, treat the wounded as you would the weapons.

We inform the public that the same order was given during the attack on Travnik. They handed over their arms and some of the wounded to the chetniks, while they killed those men whom they could not evacuate with them. [words indistinct] combat activities in this case are in the area where the wounded and arms are not (?available) to the chetniks, the HVO is about to confirm its fundamental crime.

The Bosnia-Herzegovina Army is revealing these hard and cruel facts to the public.

### Commander in Chief Delic Sets New Guidelines

*AU2406102293 Zagreb OSLOBODJENJE (Europe Edition) in Serbo-Croatian 18-24 Jun 93 p 6*

[Interview with Rasim Delic, commander in chief of the General Staff of the Army of Bosnia-Herzegovina, by Sefko Hodzic; place and date not given: "Bosnia Will Be Preserved"]

[Text] The Army of the Republic of Bosnia-Herzegovina recently got its first commander in chief. As is known, by the decision of the state Presidency, Rasim Delic, one of the main leaders of the defense of central Bosnia, particularly in the region of Visoko, has been appointed. Delic's career clearly shows what and how much this man, until recently little known to the wider public, has done for the defense of our country.

Along with Delic's appointment as commander in chief of the General Staff of the Bosnia-Herzegovina Army, it was decided that Sefer Halilovic, until recently the head of the Bosnia-Herzegovina Army, retains his position as chief of the General Staff, which may cause dilemmas: What is the authority of the commander in chief, and what is the authority of the chief of the General Staff?

The changeover of duty between Halilovic and Delic took place at the Headquarters of the General Staff, and was carried out by a commission. The chairman of the commission was Fikret Muslimovic, while the members were Jovan Divjak and Abdulah Konjicija. Delic and Halilovic are old colleagues and friends, both of them having been artillery men in the former Yugoslav People's Army [JNA], and, of course, the changeover was carried out in a way befitting friends and heads of the Bosnia-Herzegovina Army. Delic received us in a very friendly way, and the interview lasted several hours, because of frequent telephone calls from Delic's friends and colleagues congratulating him on his promotion.

[Delic] My promotion to this position was, in a certain way, a surprise for me as well. I simply did not anticipate it. I have been absorbed in the defense of the country, just like all other patriots. The Presidency has appointed me, and I would not like to discuss the rreasons for its decision. As a commander, I can only say I will give maximum devotion to the defense of the country, which I will also demand from all my subordinates. However, I must say that an individual, including myself, cannot accomplish much alone. What I have been engaged in has been teamwork.

[Hodzic] You have been promoted to commander in chief, while Halilovic remains chief of the General Staff. Could you please specify your and Halilovic's responsibilities?

[Delic] Professional soldiers are certainly able to specify them. The commander in chief has the final say in decision-making, while the chief of the General Staff liaises all the elements of military activity in Bosnia-Herzegovina, makes recommendations to the commander, and participates in the decisionmaking.

[Hodzic] Do you intend to make radical changes in the Bosnia-Herzegovina Army, and what new things do you intend to introduce?

[Delic] In principle, I am a man who supports continuity. True, in this part of the world, the practice has always been first to destroy the old, and then to start again from the beginning. Of course, there will be certain changes. Every man has his own methods of work, and a successor always notices something his predecessor did not. Basically, I shall continue everything that has been pursued so far, what the chief of the General Staff has been pursuing, but, as I have said, there will be certain corrections and changes. I shall insist on the support of the Presidency, the government, and certain ministries, because, without the support of all sections of society, the Bosnia-Herzegovina Army cannot accomplish much.

One of my major tasks is to involve in the defense and fighting all those patriots who have not been involved so far. Nobody will be able to dodge the fighting any more. One has to be objective: This war is going to last for a long time. The stronger we are, the more territory we shall control. Besides, the stronger we are, the more the international community will respect us.

[Hodzic] You have been on the free territory for a long time. How much state territory does the Bosnia-Herzegovina Army really control?

[Delic] I cannot give you percentages, but it controls the most important regions, the most important industrial centers, the largest towns, the industrial, energy, and even agricultural facilities. In future, we will not only be defending the free territories, but also liberating other occupied parts of our country.

[Hodzic] How do you think that will be accomplished? The arms embargo has not been lifted yet, while Croatia has suspended all the connections....

[Delic] If I were not an optimist, I would not have accepted this position. Of course, I also believe that our

diplomatic efforts will succeed in motivating the international community to lift the arms embargo imposed on Bosnia-Herzegovina, and allow us to become even with the aggressor at least as far as weapons are concerned. However, if the arms embargo is not lifted, the war will only drag on.

We shall make use of the experiences acquired in the Liberation War during World War II. By attacking the enemy where he least expects it we shall more easily deal with the much better equipped aggressor. As for weapons, they can be obtained. On the one hand, we have already resumed the special purpose [arms] production in the free parts of Bosnia-Herzegovina. On the other hand, by seizing arms from the enemy, we shall get additional equipment. In some parts of Bosnia-Herzegovina our fighters have been arming themselves exclusively by seizing weapons from the aggressor in battle. It may be that the war will last longer, but we shall eventually win.

[Hodzic] Clashes between the Bosnia-Herzegovina Army and the Croatian Defense Council [HVO] have broken out. What is the reason for this?

[Delic] When the HVO realized the international community is letting the Chetniks get away with all their crimes, extremists in the HVO realized they might also exploit this situation and create a para-state, the so-called Herzeg-Bosnia. That is the reason why they are attacking the Bosnia-Herzegovina Army. However, this is a great delusion of theirs, because a conflict is not in the interest of the Croats and the people of Bosnia-Herzegovina any more than of the HVO and the Bosnia-Herzegovina Army. The attitude of the Bosnia-Herzegovina Army is that one should negotiate with the HVO, and reach an agreement, in order to defeat the mutual enemy jointly. In any case, all cards are on the table now, and it is known what each side aspires for in this war.

[Hodzic] The war has already lasted 14 months, and the siege of Sarajevo, too. How can the siege of our capital be lifted?

[Delic] Breaking the siege of Sarajevo is of strategic importance for the Republic of Bosnia-Herzegovina. It should not be seen only as an opening in one direction, because that would not be enough. Our goal is the total liberation of Sarajevo. However, it is a very complex task, as we have all seen these 14 months. Many times we have tried to break the siege and liberate the city, but we have not succeeded. Of course, one has to pay tribute to the defenders, but the final goal—the liberation of Sarajevo—has not been accomplished yet. In order to free Sarajevo, we have to fulfill certain material, professional, and other preconditions. Unfortunately, we have to admit that the aggressor is very strong, and has powerful weapons and technical equipment deployed around Sarajevo, following plans and schemes devised by the former JNA for the "defense of Sarajevo." As a commander and as a man, I can only say that we shall wholeheartedly work on preparations for the liberation of Sarajevo. However, I cannot tell you when it will happen....

[Hodzic] In Sarajevo there are two typical phenomena that irritate the fighters and the citizens quite a lot. One of them is the large number of people sitting in basements, avoiding fighting in various ways, while the second is that citizens are arbitrarily taken away to dig trenches. What do you, as commander in chief, intend to do in this regard?

[Delic] I have already said it is necessary to involve all men who have not been engaged in fighting so far. In that respect, we will do everything to achieve that through authorized institutions. As for illegally taking Sarajevans to dig trenches.... First, the Bosnia-Herzegovina Army is still developing, and so we have not been able to get the right attitude into the people while recruiting them. Some people matured through fighting, and have contributed to the cause, but along with that they have used, and are still using illegal methods. Such conduct is unjustifiable. These people must understand that there is no need for such conduct, and they are not authorized to do this. Otherwise, an extreme way of handling such practices is a military one. Since I am the commander in chief, I am familiar with such occurrences in Sarajevo, and, as far as I am concerned, I will do what is necessary, because the issue must be settled soon. As for engineering works, we have to find out other, legal ways to carry them out. Whatever we in the Bosnia-Herzegovina Army do ought to win respect for our forces and our men, while such methods do not do units or individuals soldiers any favors.

[Hodzic] Since you have full insight in everything that is happening throughout Bosnia-Herzegovina, do you believe that our state will be preserved within its borders?

[Delic] I am absolutely convinced of it, but I do not know how long the war will last, except that it will certainly be a long time. Nevertheless, when educated, intelligent, and capable people ascend the stage, replacing those with blood in their eyes, Bosnia- Herzegovina will be a happy country. We have to liberate Bosnia- Herzegovina because of those that have already given their lives for it, because of the crippled, and because of its thousand-year history. Now is the most critical time in Bosnia-Herzegovina's history. I am proud that I am not only a witness of this time, but also a protagonist. I would be very unhappy if all those members of my family who are capable were not involved in fighting, and if we did not fight this war, the most fateful war in the history of our country. I cannot understand those who fled the country. Do they not feel sorry for not being a part of this great historic moment for Bosnia-Herzegovina? Therefore I invite them to return as soon as possible, and take part in this historic liberation war of the peoples of Bosnia-Herzegovina. Their fatherland calls them, and history calls them as well!

**[Box, p 6]**

**"He Has Plenty of Things To Discuss"**

In the General Staff we had a short conversation with Halilovic, who remains chief of the General Staff, but is no longer the head of the Bosnia-Herzegovina Army. Halilovic told us that he would not make any statements at the moment, "although he had plenty of things to discuss."

Unofficial information that we were given is that Halilovic said he would give full support to Delic, but had also asked for several days leave. Other unofficial information is that Halilovic is considering resigning as chief of the General Staff, while other rumors suggest that he has already resigned. When Halilovic reappeared in the commander's office, we asked him about his resignation. However, he was unyielding, and said he would not say anything about it. Commander Delic told us that Halilovic had not officially resigned, and it would be a great pity if he did.

"We do not have so many qualified staff, particularly not of Halilovic's caliber," Delic says.

**[Box, p 6]**

**"Always With Fighters"**

[Delic] My life, although I am a commander, is no more valuable than the life of a common soldier. So, if my soldiers are not afraid of death, why should I be afraid? I have always been a commander who hangs around at the fronts, rather than sitting at headquarters. Even now, as commander in chief, I shall spend most of my time with fighters on the fronts, in the midst of the fighting. I know what it means to soldiers when their commander is by their side.

**[Box, p 6]**

**"Patriots"**

[Delic] I believe that the majority of citizens of Bosnia-Herzegovina are patriotically disposed toward the country. Therefore all these patriots should be involved in the defense of their country, and by this I mean all our citizens, regardless of their religion and nationality. It find it particularly strange that there are Muslims who dodge the fighting. They have no alternative fatherland, and if Bosnia-Herzegovina disappears, the Muslims will disappear as well. That is to say, there is no other choice but—to go to the front!

## Dubrave Croats Reject Expulsion of Muslims

*AU2306204593 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 23 Jun 93*

[Text] The command of the Fourth Corps of the Bosnia-Herzegovina Army is filing a sharp protest with the Croatian Defense Council [HVO] and Croatian Television. In its protest, which was also delivered to the command of the Spanish Battalion of UNPROFOR, the commander of the Fourth Corps, Arif Pasalic, emphasizes:

In last night's Croatian Television newscast, correspondent [name indistinct] reported [words indistinct] that UNPROFOR units were indulging in illegal activities by helping the Bosnia-Herzegovina Army obtain material and technical means. This represents [words indistinct] and is an essential element of the media propaganda whose aim is to strengthen [words indistinct] UN soldiers and [word indistinct] the task to (?achieve) end of hostilities and restore lasting peace on these territories.

Regarding this, we sharply protest to the HVO and demand that the HVO refrains from ascribing to the Bosnia-Herzegovina Army anything that does not match its [words indistinct] and the goals of its struggle. The Bosnia-Herzegovina Army never sought or received any assistance from UNPROFOR troops in order to increase its combat capacity, is stated in the protest by the commander of the Fourth Corps and demanded that the HVO distances itself from the above false [word indistinct] in the Croatian Television newscast and other Croatian media.

According to the findings that [words indistinct] of the witnesses [words indistinct] refugees from Capljina, (?Dubrave) and [words indistinct] the Fourth Corps of the Bosnia-Herzegovina Army reports that the HVO and the so-called Croatian Community of Herzeg-Bosnia are holding a referendum in these communes, asking the Croatian people: Do you favor expulsion of the Muslims from your commune? The referendum [words indistinct] in Dubrave and Capljina and is supposed to be held in Ljubuski today.

The results of the referendum in Dubrave are humiliating for the HVO and the Croatian Community of Herzeg-Bosnia, as 70 percent of the Croats answered negatively to the above question, thereby choosing coexistence with the Muslims.

### 'No Progress' in Negotiations in Geneva

*LD2406082593 Zagreb Radio Croatia Network in Serbo-Croatian 0700 GMT 24 Jun 93*

[Text] No progress was again reported on the second day of negotiations between a delegation of the Croatian Government and representatives of local Serb authorities from Croatia held in the Palais des Nations in Geneva. Slavko Degoricija, who heads the Croatian delegation, said that the Serb side had not been observing either the existing agreement or the agenda. According to him, the negotiations have reached an impasse and have drifted away from topics discussed in Topusko. Instead of discussing a cease-fire, the extension of the UNPROFOR [UN Protection Force] mandate, and the implementation of all UN Security Council resolutions, negotiators from Knin have been trying to impose their own agenda in order to shift the negotiations away from realistic objectives.

For instance, they called for the abolition of the committee for national rights and minorities operating within the international conference on former Yugoslavia. The Croatian Government delegation refuses to negotiate this issue as it comes under the jurisdiction of the conference and its documents, but is prepared to talk about ways of setting up a permanent negotiating body and of defining its activities and role with the sole aim of facilitating the efforts to resolve the Serb issue in Croatia. The negotiations will resume today.

### RSK-Croatia Talks Held on Level of Consultations

*LD2306200693 Belgrade TANJUG in English 1916 GMT 23 Jun 93*

[Text] Geneva, June 23 (TANJUG)—Direct talks between the Republic of Serb Krajina (RSK) and Croatia in Geneva on Wednesday were held on the level of consultations since the RSK delegation did not accept to discuss the issues of vital importance for their country on the offered level.

RSK representatives insisted that Ambassador Geerd Ahrens should chair the meeting in the capacity of deputy co-chairman of the conference on the former Yugoslavia, and not as chairman of the conference's working group for national minorities and ethnic issues, sources of the RSK delegation said.

Conference co-chairmen Lord Owen and Thorvald Stoltenberg agreed with the Krajina delegation on Tuesday that Ahrens' new post would be confirmed in writing, but failed to fulfill the agreement.

Sources of the RSK delegation said they had already objected Ahrens' activities in the minorities working group and did not accept to discuss Krajina's vital issues on that level.

The Croatian delegation insisted that Ambassador Ahrens participate in the talks as co-chairman of the conference's working group for national minorities.

The talks will on Thursday morning be chaired by Owen and Stoltenberg and will be attended by RSK President Goran Hadzic.

RSK and Croatian representatives, who met in Geneva on Tuesday for first direct talks ever, agreed to set up a body which would be engaged in settling the RSK-Croatia disputes.

The two delegations are also to discuss economic questions of mutual interest and the implementation of U.N. resolution 802, demanding the withdrawal of Croatian troops from the RSK areas occupied in Croatia's January 22 aggression.

The RSK, proclaimed in predominantly Serb-populated areas within Croatia's administrative borders after its session [as received] two years ago, was last year put under U.N. protection.

### Krajina Assembly Ratifies Referendum Results

*LD2306153893 Belgrade TANJUG Domestic Service in Serbo-Croatian 1316 GMT 23 Jun 93*

[Text] Knin, 23 Jun (TANJUG)—At today's session in Knin, the delegates of the assembly of the republic of Serb Krajina [RSK] adopted by acclamation the report of the commission for the implementation of the referendum on the sovereignty of the RSK and its unification with the Serb republic.

The referendum was held on 19-20 June in a seldom-witnessed, democratic, and dignified atmosphere, Milos Vojinovic, president of the commission for its implementation, stressed when submitting the report on the turnout of the voting. According to the figures presented to the delegates, the electoral lists contained 317,085 names, while 301,592 persons—or 95.61 percent of the electorate—voted at the polls.

Answering the referendum question: "Are you in favor of a sovereign RSK and its unification with the Serb republic and other Serb lands?" 297,425 persons—or 98.61 of the electorate—responded yes. A total of 2,341 persons—or 0.72 percent—opposed this, while 1,826—or 0.62 percent—of the votes were declared invalid.

According to Vojinovic, the results of the voting by Krajina citizens living in the FRY and 74 countries worldwide are still being processed, but the first results point to a massive response and a positive reply to the referendum question.

Voting took place in 40 cities and other places in the FRY, while, according to the incomplete results, 78,934 votes out of the 79,000 votes processed so far—or 99.93 percent of the electorate—voted in favor of sovereignty and unification. Figures have also arrived from 11

countries, showing that 19,533 persons—or 99.85 percent of the 19,562 registered voters—voted "yes" at the polls.

Taking part in the work of the Krajina parliament, Dr. Milovan Milanovic, vice chairman of the [Bosnian] Serb republic's national assembly, who headed the Serb republic's delegation, proposed that the joint session of the assemblies of the two republics—scheduled for St. Vitus' Day, 28 June—be postponed.

While presenting this proposal, Milanovic declared that every move should now be made wisely and courageously, step by step, until final unification. "We no longer need declarations but should incorporate the freely expressed will of the people in our constitution, while making sure that this is not only a formal act, but that it actually represents the essence and content of our constitution."

In this regard, the assemblies' delegates agreed today in Knin to appoint a joint commission of experts for, as they said, the drawing up of a new constitution of the new state west of the Drina River. "This process should take up to one month at most."

## Serb Krajina Military Commander Interviewed

*AU2206201193 Warsaw POLSKA ZBROJNA in Polish 17 Jun 93 pp 1-2*

[Interview with Lieutenant Colonel Milan Susnjar, commander of the 70th Brigade of the republic of Serbian Krajina territorial defense, by Jerzy Markowski in Plasko; date not given: "We Believe That We Will Defend Ourselves"]

[Excerpt] [passage omitted] As a rule, the Krajina Serbs do not trust foreign journalists, because "as they say," they have already, on so many occasions, depicted them "in a distorted light," and the world has, with the help of journalists, organized a "witch-hunt" against them. I had to promise that I would present their arguments in full and literally. Apart from the brigade commander, Lieutenant Colonel Milan Susnjar, taking part in the conversation were Lt. Col. M. Vidakovic, the deputy commander, and Captain D. Medakovic, the commander of the special forces.

This is a transcript of the conversation:

[Markowski] As brigade commander, and at the same time a representative of the Serbian people in Krajina, what is your assessment of the current situation in the region?

[Susnjar] It is difficult to answer that question. It is difficult to give a clear-cut answer, because the international situation is still not completely clear. That means, that no agreement has so far been reached at the top between the FRY and international bodies, and the Vance plan, regarding a solution in former Bosnia-Herzegovina, has not been completely accepted.

This also means that the same factors mean that we in Krajina cannot provide a clear definition of how we view the situation from our angle. We are waiting to see how events will unfold in Bosnia-Herzegovina, the former Bosnia-Herzegovina of course, as well as between the republic of Serbian Krajina and Croatia. That would be the second factor. That is why taking all of them into account, we will follow how the situation will develop further in terms of remaining agreements and the Croatian side's adherence to the decisions imposed on it by the Security Council, the EC, and the UN, as well those of the republic of Serbian Krajina council regarding the Serb republic in Bosnia-Herzegovina.

[Markowski] So, tell me exactly what you are fighting for.

[Susnjar] We were—and this is no secret because it has been publicly stated—brutally attacked by the Republic of Croatia on 21 January of this year. That is why we are solely defending ourselves. We are defending our homes, our future, and our land. No one calls into question that this is our home. That is the only thing that we are fighting for, we are defending it and no more.

[Markowski] But at the moment there is no peace and you, yourselves, no doubt think that if a cease-fire agreement were signed, it would be easier to solve these problems without fighting.

[Susnjar] If there were a cease-fire and Croatia would respect the provisions of Resolution 802 (a UN resolution requiring Croatian forces to withdraw to the positions they occupied before 21 January—editorial note), it would be possible to conduct further negotiations.

[Markowski] As a Krajina Serb, how do you see the future of the Serbs here?

[Susnjar] The Krajina is determined to defend itself and its land. However, if there is an end to the war and an agreement, of the kind that we talked about a moment ago, then we will work on all the other issues—agriculture, industry, problems related to development, so that the nation can live in a dignified way.

[Markowski] Recently, however, the leader of the Bosnian Serbs, Radovan Karadzic, talked about uniting the Bosnian and Krajina Serbs. What do you think about that?

[Susnjar] We can talk about uniting the Serb republic and the Serb republic of Krajina once the issue of the Serb republic (the Serbs in Bosnia—editorial note) has been resolved first.

[Markowski] What is your assessment of the current military situation in the region?

[Susnjar] To put it as tactfully as possible (People are suffering—Captain Medakovic butts in) and without exaggerating the problem, there are provocations from the enemy side every day. Various kinds of weapons are even used several times a day. This not only means small arms, but also other kinds of weapons, which are used for

provocations so as then to accuse the Serb side of eliciting the provocations if we respond to them on this or that occasion. What matters is that it should be possible to accuse the Serbs of everything that they actually were the first to do.

This is done to exploit the mass media very skillfully and to diplomatically accuse the other side of prompting military incidents. After all, the regular Croatian forces launched the aggression against the Serb republic of Krajina; those are their organized formations and, at the moment, there can be no talk of any unofficial units. So, we are talking about aggression against the Serb republic and the Serb republic of Krajina. So, it is impossible for UNPROFOR units, UN military observers, and EC observers who are in the Serb republic of Krajina not to know about that. It has been proved and it is the truth.

Meanwhile, there are no sources of information and I do not know of a case in which the truth of this has been denied. The world should see who is who—who is the aggressor and, in light of that, who is responsible for the imposition of sanctions, the embargo and so on. If should not always be the Serb side that is guilty, even when it does not respond to provocations. However, it is always guilty in their opinion. This nation cannot understand why it is guilty.

[Markowski] Provocations increase tension, or is that not the case?

[Susnjar] Of course. All provocations, regardless of which side has initiated them, increase tension among the civilian population and among soldiers, and they can often turn into battles on a much larger scale. That is why we propose to and advise the other side not to do that. If they favor war as aggressors, we are here to defend what is ours. We believe that we will defend ourselves, but then it will not be that easy.

[Markowski] Being the brigade command, do you hold talks with the other side?

[Susnjar] So far, we have only talked with the other side indirectly, through UN military observers and representatives of the EC. With the help of the "hot line," we inform each other of violations of agreements, provocations, and that is all.

[Markowski] Would your side want a cease-fire and the speedy conclusion of an agreement in this respect?

[Susnjar] We are not opposed to talks. We have shown that on many occasions, when our representatives held talks in Topusko, and our president (Goran Hadzic—editorial note) spoke with the Croatian side in Geneva. That means that we want to and can talk, and that we are not opposed to negotiations. But we do not want to be pleading with people. When Resolution 802 is implemented, it will be possible to achieve much more during negotiations than today, when their military units are on our territory and are trying to penetrate further into our land.

[Markowski] The Security Council also passed Resolution 815, which the Serbs in Krajina very much disliked. How did you, as the military, react to that, because it closes the road to independence for Krajina?

[Susnjar] Resolution 815 is linked to Resolution 802. Because the first was not implemented, Resolution 815 could not be accepted.

[Markowski] But it talks about the internationally recognized borders between Croatia and Krajina....

[Susnjar] (he interrupts, making it impossible to finish the question—editorial note) No, no, it talks of pink zones. We all know that. That means that because Resolution 802 has not been realized, Resolution 815 could not be adopted.

[Markowski] What is your assessment of relations with the Polish battalion, as you are in the same region?

[Susnjar] Indeed, there are several dozen points manned by soldiers from the Polish battalion within the UNPROFOR framework. All that we have asked of them is that they be objective. We did not ask them to judge things in a way that would benefit us. That is not our goal. They should only see the truth with their own eyes. We want the truth and only the truth. So far our cooperation has produced good results. In the beginning there were certain misunderstandings on both sides, but basically our relations are on a good level at the moment.

[Markowski] How do you see those relations in the future?

[Susnjar] We expect the Polish battalion to assess—as I said—the situation fairly, to do so in accordance with the law, and, if that is so, then we will cooperate even more.

[Markowski] Finally, you will forgive me if I ask you a personal question. Where do you come from?

[Susnjar] I was born here. That is why I came here. I am from here and so is my wife. We are here and we will not go anywhere else. In any case, we will defend our land, our homes, and our families. We are not from Ogulino (on the Croatian side—editorial note), but from here, from Plasko.

[Markowski] Thank you.

P.S. On that day, starting in the morning and even during the course of our conversation, there were seven armed provocations in the form of machine gun fire, shots fired by snipers, and the firing of mortar shells. According to the report from Polish observation points, five of the incidents were attributable to Croats and two to Serbs.

## Officials Accuse Kucan of 'Damaging Independence'

*LD2306162193 Belgrade TANJUG in English 1550 GMT 23 Jun 93*

[Text] Ljubljana, June 23 (TANJUG)—Six Slovenian officials have accused Slovenia's President Milan Kucan of being responsible for the difficult political and economic situation in the republic and returned to him decorations earned in Slovenia's secession from the former Yugoslavia in 1991.

Igor Bavcar, France Bucar, Janez Jansa, Jelko Kacin, Lojze Peterle and Dimitrij Rupel—all members of Slovenia's innermost leadership—have sent a letter to Kucan, accusing him of "damaging Slovenia's independence by his current policy."

They criticized Kucan for tolerating the national treason by allowing that Slovenia's ex-communists, and now leading economists, buy the country's economy with the laundered foreign exchange.

The six officials urged Kucan to publicly explain why he had decorated with the same medal Ljubo Bavcon and Janko Pleterski—"Kucan's associates from the communist era."

The move has caused a real shock among the Slovenians who will on June 25 celebrate the second anniversary of their independence.

## Government Optimistic About Relations With Croatia

*93BA1129A Ljubljana DELO in Slovene 9 Jun 93 p 1*

[Article by Romana Dobnikar-Seruga: "More Optimism on Relations With Croatia"]

[Text] *The government and the Foreign Ministry think that the negotiations have moved forward from a standstill; from the meeting of the defense committee held behind closed doors.*

Ljubljana, 8 Jun—With a discussion behind closed doors in the State Assembly's defense committee, and on the basis of top secret material, a new round of undoubtedly hot parliamentary debates on relations between Slovenia and Croatia is beginning. In fact, tomorrow that subject will also be discussed-likewise behind closed doors—by the committee on international relations, and also by the State Assembly in its June session.

As we were told after the defense committee's meeting by its chairman, Zmago Jelincic, the committee did not adopt any decisions, and the discussion was very stormy. According to him, deputy Ivan Hvalica advocated sympathy for Croatia's difficulties and for a border through the middle of the Piran bay. Since Jelincic accused him of cowardice and treason, Hvalica left the meeting. Jelincic advocates "getting back what the Croats stole from us," and claims that the government has already agreed on a partition of the Piran bay behind parliament's back, and that it involves party negotiations on a confederation between Slovenia and Croatia.

Whereas the occasion for the May discussions was the Croatian construction of a disputed border facility near Secovlje and focused on the problem of determining the border, this time they are also supposed to have discussed several other unresolved issues with the neighboring state. For that purpose, the Foreign Ministry prepared material on relations between Slovenia and Croatia, which the government has already adopted. Although the material is marked top secret, it was possible to learn from unofficial sources that it does not involve any sort of state secrets, but rather only a review of the unresolved issues between the states, similar to the material that the Foreign Ministry prepared last year.

There are 15 unresolved issues, of which the most important ones are determining the border, the Zagreb branch of Ljubljanska Banka, the status of Slovene property in Croatia (including the vacation homes), the deterioration in economic relations (bilateral trade has been cut in half, but trade with Slovenia is still extremely important to the Croats, since it amounts to as much as a third of their total international trade), the construction of the Pyhyrn highway and the Trieste-Rijeka express road, and the Croatian debt to the Krsko nuclear power plant (on 7 May, it was 2.6 billion tolars). A new problem that has appeared is the issue of the Slovene investment in the operation of the mobile telephone network, since Croatian subscribers generate four times more traffic in the Slovene network than Slovene ones do in the Croatian network.

The Slovene Foreign Ministry and the government are still moderately optimistic about settling the difficulties in relations with Croatia. Specifically, they think that they have moved ahead from a standstill, that a more constructive bilateral atmosphere has prevailed, and that one should expect that it will not be possible to settle certain issues quickly and permanently, because of the semi-war situation in the neighboring state. The Ministry likewise claims that on the operational level, relations between the ministries are good, although they have not yet yielded any particular results. Recently a draft agreement on trade and economic cooperation and payment transactions was finally sent from Zagreb, and Prime Minister Drnovsek is supposed to meet with his Croatian counterpart Valentic in Ljubljana in the second half of June.

## Privatization of Services, Utility Companies

*93BA1110J Ljubljana DELO in Slovene 4 Jun 93 p 3*

[Article by Franci Dovc: "The Government Will Give Concessions"]

[Text] *The enterprises that are financed primarily from public sources will be state, municipal, or local property; sectoral laws are expected.*

Ljubljana, 4 Jun—After yesterday's passage of the law on economic public services, which some people are calling "historical" because it took a long time to pass (the draft, in fact, was already prepared by Peterle's government), the deputies gave a green light for starting the privatization of approximately 30 percent of overall social property.

According to the provisions of the above-mentioned law, about 150 former enterprises of special social significance will be privatized (municipal, energy, transportation, water-economy, etc.). Instead of organizations of special social significance, the new law is introducing a system of public services. Those enterprises (primarily infrastructural facilities, installations, and networks) which in the past primarily used money from public sources, will become state, municipal, or local property in the future, whereas those enterprises which were not financed from budgets, voluntary contributions, and similar sources can be privatized by employees in accordance with the privatization law. Sectoral laws will specify individual details on the property transformation of enterprises in individual industries, and which industries will be market industries and which will be monopolistic industries in the future (on roads, railroads, postal, telegraph, and telephone services, environmental protection, and energy conservation—altogether, there are to be about 15 sectoral laws).

In addition to the above-mentioned changes, the law also defines the concept of a public good (the use of natural resources, etc.), which according to this law, under certain conditions, are accessible to everyone, but the acquisition of a profit is subordinate to satisfying public needs. The government or the local community will entrust the management or use of natural goods to individuals or enterprises through a so-called concession contract. The concessionaire will be chosen on the basis of a public bid.

And how are individual enterprises in these industries preparing for privatization? The Energy Public Enterprise in Ljubljana, according to Miha Kosak, adviser to the general director, in agreement with the city of Ljubljana, has already separated out those activities from the former enterprise that had primarily market significance, such as the distribution of liquid oil derivatives, and butane gas, which are now operating as independent enterprises. The Energy JP [Public Enterprise] has been left with those activities (supplying the city with thermal energy and gas) which will have the significance of a public service according to the provisions of the above-mentioned law. In the opinion of our interlocutor, the city of Ljubljana will become their owner. That means that they are essentially already organized in accordance with the law. In the future, it is to be established as a capital company. Miha Kosak expected that in the future, of course if the future owners adhere consistently to the regulations, operations will be even less hampered than in the past. Our interlocutor could not tell us what would happen in the future with the prices of their services. He is convinced, however, that things will not be settled as they should be until interventionary laws are in effect.

Ljubljana Passenger Transportation [LPP] will also be city property in the future, like Ljubljana Energy. It is now preparing to draft an initial balance-sheet, with which it is to determine the value of the social capital that is to be transferred to the city later. According to Boza Hren, head of economics at LPP, they no longer expect any major difficulties with privatization. Fabio Ivancic from Koper's Istra Benza says that so far they have studied all the regulations in connection with privatization, and they are also preparing to draft a program for restructuring the enterprise. According to him, it is not yet quite clear how to privatize. In his opinion, retail sales, which represent most of their activity, do not have any sort of significance that would mean its becoming state or any other property in the future. They are also raising the question of who will be the owner of the oil derivative warehouse at Fermin near Koper in the future. The value of that warehouse, in our interlocutor's opinion, represents about 40 percent of the property, and consequently they are now waiting for further decisions by republic bodies.

The VGP [Water Economy Enterprise] Hidrotehnik in Ljubljana calculated that during the last 10 years it had received from 30 to 48 percent of its money from the state (in the future, that much of a share is to be state property). During the past two years, it has been received less and less money. This year it will only receive 10 to 15 percent, and it has to obtain all the rest of its income in the market. Although it is not completely clear to them how water economy enterprises will be organized in the future in Slovenia, they will obtain a concession from the state to perform the activities that they are performing now. They are also aware that in the future as well, they will have to earn a larger share of their income in the market.

**[Box, p 3]**

**So Long, (SISI [self-managing interest communities])!**

Minister of Environment and Land Management Miha Jazbinsek says that with the passage of the law on economic public services, we have essentially crossed the (SIS) provisions out of the legislation previously in effect. The passage of the law obligates both him and other ministers (for transportation, economic activities, and others), municipal executive councils, etc., to start privatization procedures as soon as possible in individual sectors. Individual enterprises now have four months to prepare privatization plans. Through those plans, they are to determine how much of the property of an individual enterprise belongs to the state, municipality, or city, and how much of a share will be acquired by employees in accordance with the privatization law. The individual ministers and municipal executive councils will then have about two months to issue their

consent to the proposed privatization, and the privatization is to be carried out several months after that. In Jazbinsek's opinion, the adoption of the so-called sectoral laws is not that important for the privatization system itself, but those laws are important for restructuring the enterprises, and consequently in his opinion it would be good for the individual ministries to prepare as soon as possible.

The first law in this area (the law on environmental protection) was already passed by the deputies at yesterday's session. Jazbinsek says that with the passage of this law he has actually become functionally competent, since so far he has not had any powers whatsoever. The passage of this law does not mean any sort of relief for his ministry, but rather only essentially a new beginning. He expects that there will be more order now in the area of environmental protection, since the law precisely specifies who is responsible for what, from planning individual interventions in an area to inspection. Jazbinsek is convinced that with this law, a new economic sector is also being established in Slovenia in the area of recycling, waste regeneration, municipal services, etc. He therefore expects that a lot of opportunities for new employment will be created here in the future, just as they have been abroad.

## Federal

### Major Shortage of Medicine Due to UN Sanctions

*LD2306121693 Belgrade TANJUG in English 1141 GMT 23 Jun 93*

[Text] Belgrade, June 23 (TANJUG)—State-owned pharmacies in the Yugoslav capital of Belgrade currently lack more than 60 percent of the medicaments on the priority list, TANJUG on Wednesday learned from sources in the city's medical information centre.

Private-owned pharmacies are better supplied but the prices of many medicaments exceed monthly wages.

The minimum wage for the month of May was set at 30 million dinars (around 27 marks).

In the town of Nis, a centre of the south-eastern part of the Yugoslav Republic of Serbia, doctors warned the republican government that work in clinics would be brought to a standstill if anesthetics, cytostatics and various medical supplies were not urgently provided.

Kidney patients are the most endangered—dialysis solution for them will suffice for only two more days, it has been announced.

Yugoslavia lacks several kinds of serums and vaccines, including those for snake bites and rabies, which are normally imported, said the Belgrade Virology Institute earlier this week.

Belgrade has around 10,000 stray cats and dogs who are a potential health threat, the veterinary service said earlier this month.

Due to a lack of funds, deratization was carried out only in the central part of the city.

Fourteen epidemics have been recorded in Belgrade over the past three months and the situation is even more serious in provincial towns.

The Federal Republic of Yugoslavia is in its second year of life under sanctions, the toughest ever imposed by the international community against a single country.

Experts warn of a drastic fall of the living standard, which results in malnutrition, poor hygiene and lack of medicaments, which leads to general health deterioration and increased death rate in all categories of population.

The United Nations Security Council imposed comprehensive and obligatory economic sanctions against the Federal Republic of Yugoslavia on May 30, 1992 because of its alleged involvement in the war in the neighbouring former Yugoslav Republic of Bosnia-Herzegovina.

Last week, general secretary of the World Health Organization (WHO) Hiroshi Nakajima said he would request the U.N. Sanctions Committee to intercede with the United States to unfreeze Yugoslav funds to allow the purchase of medicaments.

### Ethnic Purges in Yugoslav Army

*93BA1106E Belgrade VREME in Serbo-Croatian 24 May 93 pp 16-18*

[Article by Roksanda Nincic: "Hatred Strictly Confidential"]

[Text] In the deep shadows of scandals like the "Opera," the cases of Vasiljevic and Trifunovic, a great purge is taking place in silence in the Army of Yugoslavia [VJ]. The criterion is, of course, primarily ethnic, although there is also the "ethical" criterion: The "bad" Serbs are being separated from the "good" Serbs. It is hard to get from the Army figures on how many people are involved in this "differentiation," but those who know mention "several thousand." Jovan Buturovic, formerly a judge of the Supreme Military Court, today a lawyer who is defending many of those "purged," talks about the methods by which this purge is being carried out, which have never before been seen in the Yugoslav Army.

"I do not know how many active military personnel and civilians employed in the military have been driven out in the last year, but I am sure that they number more than over the previous 40 years," says Mr. Buturovic. "The penalties are mostly loss of rank or employment, and usually both. The military disciplinary courts are most frequently the weapons used for this persecution. Experts—military or civilian personnel—are frequent victims. The Military Engineering Institute in Belgrade is a good example; many experts were driven out of there because they had not shown appropriate political fitness. They are, of course, being driven by those who are not nearly their equals from the professional standpoint. Much the same is happening in the Military Medical Academy. This is one aspect of cleansing."

#### Examples

"Another aspect are the various job analyses and reorganizations. Distinguished specialists are assigned to lower jobs, eliminated from key administrative posts. What are called orders on regulation of status in the service are used for this aspect of cleansing. These are acts which are utterly undefined in legal terms, they do not even contain the notice of a right to appeal. Instead, undesirables are usually told that it is best for them to keep silent and not say anything to anyone.

"The third method is to delete officers and others from the payroll. Some commanding officer simply turns up in the accounting office, says that such-and-such should not be paid a salary, and that is all there is to it. The unfit person may get this kind of explanation from his superior: I do not want to see you around here again.

"You want examples? They can be enumerated.

"A colonel, Serb, battleship captain in Split, was deleted from the payroll on 1 September 1991. Only afterward were proceedings initiated against him before a military disciplinary court, although the law explicitly prescribed that in case of the conduct of disciplinary proceedings and an officer's suspension, he has the salary of the lowest positional group for that rank. Proceedings before the military disciplinary court took more than a year and a half. The disciplinary court in the first instance three times pronounced the penalty of loss of rank, twice the superior disciplinary court rescinded the penalty—and then on the third occasion the penalty was modified to assignment to a lower position in the military hierarchy. After that, he was paid the nominal amount of back pay. At this rate of inflation, this actually means that with three of those salaries he could buy one newspaper." In the background of all of this is the fact that his wife is a Croat and his family has remained in Split.

"Two citizens of Serbia, one major, a Slovak, and one lieutenant, a Croat, fought on the Yugoslav side during this war. When they came back, they were suspended by some wild order and denied their pay. The written notice of suspension reached them much later—by mail." There was no basis for the suspension at all, because no proceedings had been conducted against them.

"In general, the most tragic destinies are those of Muslims, Croats, and Slovenes who committed themselves to Yugoslavia. They might have had everything if they had committed themselves to this side. However, they committed themselves to Yugoslavia, and when they had played their role, they were cast aside like old rags.

"The story of a high-level officer of Slovene nationality stands out in particular. He was stationed in Belgrade, and when the trouble began with the Slovenes, he was transferred to a high post in Ljubljana. He had three sons, one of whom had been killed earlier in a traffic accident. When after the withdrawal of the JNA from Slovenia he came back to Belgrade, his family remained in Slovenia. One son had a job, but his wife and youngest child became utter outcasts. The school did not want to let their child enroll, and they had nothing to live on. The wife would come to Belgrade all the time, by way of Hungary, but he did not have an apartment, he lived in a hotel. In a distraught moment, when she was visiting her husband in Belgrade, she shot her son in the temple. She was sentenced to confinement in a medical institution. The officer referred to was written off in the first group of generals who were driven out, although he was not to be written off. He was allotted a bachelor's apartment which he still has not managed to move into.

"There are more. A captain first class, a Muslim, was on duty in Slovenia on the first day of beginning active military service. He was married to a Slovenian woman, and they had two children. He, of course, withdrew from Slovenia after the Army departed. He has taken part in all the operations in this war—on the side of the JNA, of course. He was committed to Yugoslavia, he has proven it in exceptional ways, and he has received the highest military assessments. He did not want to remain in Slovenia, he did not want to join Alija's Army, although that was offered to him in Slovenia. Meanwhile, his wife remained there. He had to get a divorce, and he suffers because of the children. During the last visit to his family, he was unable to return on time because they took away his passport there. By deceiving the authorities, he obtained a passport of his own from the Slovenian MUP [Ministry of Internal Affairs] and reached Belgrade by way of Italy. He was brought before a military disciplinary court because of being absent from his unit without leave. He is threatened with loss of rank, but his rank is all he has left."

**Layoffs**

"An officer, a Serb, married to a Muslim, took part in the war, was taken prisoner in Croatia. Later, he was exchanged. His family was in Petrinja, but he managed to bring them—his unemployed wife and two children. He received a decision terminating his active military ervice 'because of the particular needs of the service and e interests of the Army of Yugoslavia.' Yes, yes, there is such an article in the Law on Service in the Armed Forces. It states that 'the service of an active military person may be terminated by decision of the SFRY Presidency when particular needs of the service and interests of the armed forces so require.' Today, such decisions are signed by Dobrica Cosic. Earlier, that article of the law was rarely applied, but recently it has been often resorted to, especially in cases when grounds cannot be found even to bring someone before a military disciplinary court, as was the case with this Serb married to a Muslim woman. In any case, this man has served for 20 years and loss of the service means loss of his profession, because he is a specific military specialist."

All these cases are in military disciplinary courts and military courts and before other military authorities making decisions on these matters.

Who is the source of the initiatives for these persecutions? Mr. Buturovic explains: Commanding officers in units send proposals which are screened in the Personnel Administration, where General Domazetovic, deputy chief of the General Staff, has the last word. What will happen now that Domazetovic has been removed? There are other Domazetovices, at least there is no shortage of them. Careerist motives are mainly behind the settlement of accounts. Patriotism is paid off in terms of promotions and departments.... There are abuses of all kinds. The beginning of this large-scale purge is associated with the reactivation of Gen. Nedeljko Boskovic and his arrival to head the intelligence-security sector last May. The entire Radical team which came with him is the result of a negative selection of personnel, which has been carried out most systematically in the Army.

It is clear that in all these and many unmentioned cases we are dealing with a flagrant violation of all possible standards concerning the equal rights and equality of citizens stated not only in the international acts which

Yugoslavia has ratified (the Declaration of the Rights of Man in 1948, the International Agreement on Civil and Political Rights...), but also in the Constitution of the FRY, which explicitly guarantees citizens equality regardless of sex, race, religion, nationality, faith, and political membership. At present, however, this does not worry anyone very much.

Mr. Buturovic cites yet another example along these lines in conclusion. The service in the VJ of a lieutenant colonel, a Croat, a citizen of Serbia, employed in the Postsecondary Military School Center, was terminated after 32 years. His job was not terminated, only he was terminated. No one has seen the order whereby he lost his job, because the competent officer did not want to give it to him. Why? The decision, which was signed by Dobrica Cosic, is allegedly strictly confidential.

## Chaos, Mutual Accusations in Military Leadership

*93BA1106C Belgrade VREME in Serbo-Croatian 24 May 93 pp 18-21*

[Article by Milos Vasic and Filip Svarm: "Palace Revolution Taking Place"]

[Text] The chronicle of events was in itself illustrative:

1. The Bijeljina Assembly and the letter of the Belgrade trio were a signal that the rules of the game are changing. Extremism is no longer in fashion and this opens up the possibility (or need) for the next event;

2. Generals Boskovic (intelligence-security sector) and Domazetovic (Personnel Administration) are abruptly retired. The Information Department of the General Staff took offense at newspaper "speculation" and says that what happened could not have been more normal, i.e., "to meet the needs of the service" (it will be seen that it really was to meet the needs of the service); Slobodan Milosevic said back at Batajnica that there have been enough of these scandals like Opera, Nedeljko Boskovic's masterpiece;

3. Gen. Zivota Panic is beginning to say that the Army of Yugoslavia [VJ] will not react to a possible intervention in Bosnia unless the borders of the FRY are threatened;

4. Dr. Vojislav Seselj is beginning to say in public that Gen. Nedeljko Boskovic was kicked out because he had divulged confidential information to him. There was no better way to knock in the last nail in the political coffin of his connections as a collaborator (as it is referred to in police slang) at the top level of the Army of Yugoslavia; Gen. Boskovic did not deny this right up until Thursday, which might have been interpreted as excessive self-confidence; on Thursday, Gen. Boskovic said that he had no "personal connection" whatsoever with the Serbian Radical Party [SRS], nor had he had (there are witnesses who say the opposite). Be that as it may, the race is beginning to return from retirement—some for the first time, some for the second;

5. The Opera ensemble returns the blow: Generals Vojislav Radovic and Zivan Mircetic, Colonel Slobodan Rakocevic, Lieutenant Colonel Ivan Sabolovic, and volunteer Radenko Radojicic are filing criminal charges against 13 military personnel and Dr. Branko Kostic, a civilian, for abuse of official position to acquire unlawful gain for themselves and others, for divulging military secrets, for doing damage to the military security service, for unlawful appropriation of the personal property of others, for exceeding authority, for mistreatment of subordinates, for forgeries, for slander, and so on. The military part of the list is headed by Generals Bozidar Stevanovic, Air Force commander, and Nedeljko Boskovic; the others are officers in military security and jurisprudence involved in proceedings concerning the Opera scandal; Gen. Aleksandar Vasiljevic, in the meantime acquitted of serious charges before a military court, was strikingly absent from the list of those filing the charge...;

6. Dr. Vojislav Seselj is beginning a campaign against Gen. Zivota Panic, chief of the General Staff of the Army of Yugoslavia, through VECERNJE NOVOSTI, which first was carrying his fierce accusations, and then later regularly issued a caveat that this is the "personal opinion" of the doctor. The Information Department of the General Staff and Gen. Panic have been reacting personally, but with a certain tardiness; the reaction is just a shade more emotional than would be optimal;

7. The Supreme Defense Council (all three presidents, the defense minister, the chief of the General Staff, and certain others on invitation) appoints a state commission with the task of studying the "accuracy of public criticism" of Gen. Panic. The result is awaited in suspense.

### The Lives of Generals

A cat has nine lives. We will soon see how many lives of active service a general has who has been in the JNA [Yugoslav People's Army] and VJ. Gen. Boskovic already has two and—by all appearances—he is hoping for a third. Gen. Vasiljevic, however, might count on one more, second, active life if there is a serious change of political direction.... Work is being done on both cases. Gen. Nedeljko Boskovic was the first to refuse to accept the decision for his surprise retirement to meet the needs of the service; then Branko Kostic retired to Montenegro and from there threatened that he had information about everyone, that he would call a press conference, and so on. Here, it becomes important that things occurred at the same time: Precisely during those activities of Gen. Boskovic, Dr. Seselj was making statements that he was regularly obtaining confidential information from him about events in the Army of Yugoslavia; Who is protecting whom here, and who is selling out whom—and when? Did something change in the meantime, so that Gen. Boskovic had to be revived again? Dr. Seselj first objectively buries Gen. Boskovic, then he quickly began to quote him at length in accusations at Gen. Panic: The language of those accusations is the language of authorized officials in the security department and military

bureaucracy. Dr. Seselj's "confidential information" could have only come from there, especially worded that way. At the same time, he also happened to strike out at Gen. Andrija Biorcevic, commander of the Novi Sad Corps, who can be reproached with all kinds of things, but certainly not that he is not to Seselj's liking (Seselj immediately distanced himself from those accusations).

The criminal charge which the people from the former KOS [Counterintelligence Service] (minus Gen. Vasiljevic) are lodging against 14 important people in the army and Branko Kostic is very thorough (16 typed pages) and potentially very unpleasant. It begins with dry pragmatic charges about interrupting the normal operation of the security authorities of the JNA (preventing transfer of duty and violation of all procedures), whereby the armed forces, they say, were deprived of security protection, and the Security Administration was decapitated. This—according to the charge—resulted in a loss of reputation to the service, collaborator networks disintegrated, and in the resulting situation no one wanted to work any longer for the service. In order to justify this, say the plaintiffs, a slanderous campaign was initiated in the media. The criminal charge goes on to make allegations against Dr. Branko Kostic: At the opening of the Technology Fair in Belgrade, more than a year ago, he described the Opera scandal as the greatest case of espionage since the war (World War II) and completely disputed the work of the Security Administration of the JNA, in order, it is alleged, to justify taking Nedeljko Boskovic out of retirement and promoting him to the rank of general out of order. All the decrees on personnel changes in military security and jurisprudence were signed by Dr. Branko Kostic, right up until the end of his term on the SFRY Presidency, on 10 June 1992. On 15 May 1992, Dr. Kostic first abolished and after four days reinstituted the Military Prosecutor's Office of the RV i PVO [Air Force and Air Defense]; those filing the charge say that he did this in order to persecute innocent former top officials of the KOS.

There is information that in the meantime Dr. Branko Kostic was meeting regularly in northern Montenegro with Gen. Boskovic and Bozidar Vucurevic, which is said to be the reason why he was called in for an interview in the Montenegrin MUP [Ministry of Internal Affairs] and warned not to do that anymore. This is related to the otherwise well-known activities of Dr. Branko Kostic to destabilize the Montenegrin regime; certain military personnel have been playing an important role in those activities. At the famous "environmental" rally in Zeta ("Zeta, cradle of Serbism"), Dr. Seselj was joined by Dr. Kostic, Mr. Vucurevic, Generals Domazetovic, Boskovic, and Strugar (commander of the Podgorica Corps). It is obvious that there has been a crowd of generals on the far right: Gen. Zivota Panic remains almost alone in the center. This is understandable to some extent: In the chaos that has come about, everyone has the right to judge the direction from which the wind is coming and what the score is, to direct his ambitions where he thinks he should. Most generals, nevertheless, have only one life.

**The Ambition of the Generals**

That being the way things are, it makes sense to achieve as much as possible in that one life. Which accounts for learning lessons in advance and betting on various political options. It is obvious that none of the great transformers of the JNA into the "nonpolitical" Army of Yugoslavia took the solemn promises of a "nonpolitical and professional" army seriously. Thus, back in the summer of 1991 Gen. Stevanovic began to transport Dr. Seselj in Air Force helicopters, evoking fierce protests from pilots and crews (who viewed Seselj—according to military dogma—as the equivalent of Paraga). At the same time, the 252d Fighter Squadron is represented as the "first Serbian squadron," to the horror of the KOS at that time (leading to the story about the bugging of Gen. Stevanovic). Those filing the criminal charge emphasize the role of the SDB [State Security Service] of the Serbian MUP in taking power first in the RV i PVO and then in the KOS as well: The newly promoted Gen. Boskovic ceremoniously throws Gen. Vasiljevic out of his office with the support and in the presence of two policemen from the Serbian MUP, who remained with him a long time after that. At the memorial ceremonies (commemorative meeting in the military and government vocabulary) for Gen. Vladimir Vukovic in Banjaluka about a year ago, Gen. Boskovic—those present say—uttered the following sentence: "It is not important to me, but just tell me who is of what nationality."

Nothing, then, has come of the "transformation" of the army: One ideology has been replaced by another, and whoever believed in the "nonpolitical" army which is not under the influence of political parties has been made a fool of. The party-oriented sparrow in the hand was better than the nonparty pigeon in the bush: a career is a career. Those filing the criminal charge go further: They accuse the new team in the Security Administration of stealing three motor vehicles, 34,000 German marks [DM] in cash, DM15,000-20,000 worth of various goods (mainly the property of the Dutch firm Graphiline), large quantities of weapons and equipment, and all of this during the hastily whipped up investigation of OPERA. Regardless of those details, however, the political message of the criminal charge of the former KOS is clear: At this point (translation: after Milosevic's transsubstantiation into a peacemaker), it is time to correct the injustices of the previous—presumably erroneous—policy. The unspoken message is this: You are better off to have an army without intrigues, rat race, and mutual back-biting; get rid of the guilty ones and it will be better for everyone.

Whoever may be right, the essence of the matter has again been missed. The question to which there is no answer was put again last week under very dramatic circumstances: Was there anyone interested in a "transformed" and "nonpolitical" army? Everything depends on that answer, which has not been forthcoming. Perhaps the finding of the Government Commission on

"Public Criticism" of Gen. Zivota Panic will provide a temporary answer—in any case, there is no permanent answer.

**Seselj and Panic**

From that point of view—the political—it makes absolutely no difference whether or not Mr. Goran Panic, son of Gen. Zivota Panic, has been selling potatoes to the Army of Yugoslavia at an expensive, privileged price. What is important—at the superficial level, that is, at the excuse level—is that Gen. Panic's son was trading with the army at all (this is not done on principle if your father happens to be chief of the General Staff). At a deeper political level, this is irrelevant. Gen. Panic remains or falls depending on the political option; what is more, it makes absolutely no difference who stays or falls so long as he represents a particular political option.

What has been happening in this story, and when?

Dr. Seselj chooses that aborted meeting of the five Serbian parliaments as the place to announce a summary accusation against Gen. Zivota Panic. The details appear in VECERNJE NOVOSTI in two installments on successive days. The first day, the story is planted about how the Serbian Radical Party is "up to its ears" in charges against Gen. Panic and other "traitors." The next day (Wednesday, 19 May 1993), however, VECERNJE NOVOSTI first distances itself from the accusations that day before against Gen. Biorcevic (they do not say where they got the information that the general drives a Mercedes, if not from the SRS, which had been supplying it everything); then it distances itself from Dr. Seselj. ("These are, of course, only assertions of the SRS leader.... In no way does NOVOSTI back them up.") What is missing was written only in the provincial edition of NOVOSTI: Point 12 on the list of Dr. Seselj's accusations against Gen. Panic; this is missing in the other editions—instead, there is the disavowal of Dr. Seselj. Point 12 read: "Officers of the Army of Yugoslavia comment with disgust on the fact that lovers of Mr. Panic's daughter—Dragana Panic—have stepped up from noncommissioned officer to the rank of officer or officers have received a high rank and position in the Army of Yugoslavia for a few hundred or DM1,000 marks (the price depends on the level of the rank and position)." There are obviously things which are too distasteful (or dangerous) even for VECERNJE NOVOSTI.

The other 11 points of Dr. Seselj's indictment are these: the assertion that Gen. Panic "destroyed" Vukovar instead of "liberating" it (a revision of the official dogma: When people criticize the destruction of Vukovar, the "patriots" call them "traitors."); the reproach that Gen. Panic has not "transformed" the Army of Yugoslavia; the charge that the VJ lacks a "war doctrine" (again a revision of the dogma); Point 4 is missing for some reason; Point 5 is the accusation that Gen. Panic did not ethnically cleanse the Army of Yugoslavia, "although there were several proposals in the army itself that they (the non-Serbs) be removed" (probably bad coordination or time was moving too fast: Gen. Bozidar Stevanovic—according to certain sources—has been spreading the story that Gen. Zivota Panic ethnically cleansed the Army of Yugoslavia.); Point 6: "Deserters" and "suspicious individuals" (with families outside the Serbian lands) were left at their positions; Point 7: The presence of former generals in offices; Point 8: Failure to pass a law on mobilization (that was the responsibility of the retired Gen. Domazetovic); Point 9: The presence of Gen. Radinovic, who is suspicious because his brother-in-law is someone in the HDZ [Croatian Democratic Union]; Point 10: Why have not the former chiefs of the JNA been prosecuted; Point 11: Where is the money (DM7.5 million) and where are the automobiles (450 of them) from Vukovar, where did Gen. Panic get the Mercedes, and where did his son get the money for his firm? On Thursday, Dr. Seselj declared that he anticipates not only removal, but even criminal proceedings against Gen. Panic.

**A Tangled General Staff**

The Information Department of the VJ General Staff managed in less than a week to issue two awkward press releases related to this affair. The first stated that Generals Domazetovic and Boskovic were retired "to meet the needs of the service" and that all the rest amounted to malicious interpretation; then, Dr. Seselj was reproached for having lost his common sense ("ability for rational judgment") with the loss of the opportunity to "obtain intelligence on events within the VJ General Staff, but also the Army of Yugoslavia as a whole, caused by the most recent personnel changes at the top level of the Army of Yugoslavia." Dr. Seselj is accused of "uncontrolled public statements," "an attempt to use the army for his own political purposes and those of his party," of "frustration," of "destabilizing the state and its armed forces," and of an attempt "to remove from responsible posts in the government and army those people whose birthplace is located deep within the borders of the Republic of Serbia." Translated from military and government language to Serbian: The crazy Herzegovinian of suspicious origin is attempting to drive from power Moravians from the vicinity of Krusevac (Trstenik and Velika Drenova), in the midst of Serbia and without any rhyme or reason, and he went crazy when he lost his informer, the Montenegrin in military security.

Gen. Zivota Panic's statement is a shade more pathetic and offensive than it should have been to be fully believable. Instead of the whole Panic family (and Dragana Panic in particular) immediately and silently suing Dr. Seselj for slander and insult, Gen. Zivota Panic begins to explain of all things the Vukovar operation.... The chief of the General Staff refers to the attacks as "bestial" and "falsifications": Sufficient for a complaint—if he is seriously convinced of it.

The timing was lost: The criminal charge against the former chiefs of the KOS seems to have been a preemptive strike, and Dr. Seselj has a bit nervously (the omission of Point 12 in NOVOSTI) moved to anticipate Gen. Panic and accuse him before military justice institutes proceedings under the charge. Those, however, are tactical finesses; the Supreme Defense Council (Milosevic, the two Bulatovices, and Cosic) has appointed a government commission consisting of the competent individuals (Defense Minister Pavle Bulatovic, Gen. Aleksandar Radovic, chief supply officer of the VJ, and Djuradj Novakovic, chief Serbian tax officer), and sooner or later that commission will give birth. No illusion should be harbored as to the sex of the child: It will be whatever the Supreme Council agrees. The Supreme Defense Council—however—tenderly refers to what the General Staff calls "untruths and the most flagrant slander," espionage, and treason as "public criticism," without mentioning the author; in this case, the language could be the message.

The political background of the entire affair is incomparably more interesting: The ambitions of Gen. Bozidar Stevanovic, commander of the RV i PVO, to become chief of the General Staff, are well-known, as are his ties to Dr. Seselj and to authorized officials close to him of Serbian political origin, although not necessarily of Serbian ethnic origin. The switch in Slobodan Milosevic's Bosnian policy has also caused a panic in the Army of Yugoslavia, but none of the currents, so it seems, has enough elements for a sure bet (that is precisely the greatness of Milosevic as a tactician: He has never telegraphed a winning combination....). For the present, it is clear that we have a number of candidates for Serbian chancellor; what we lack is a candidate for the Serbian Von Hindenburg, who would turn over the army, tied up with a ribbon, into the hands of his successor.

## Former JNA General Flees to Macedonia

*93BA1099F Belgrade POLITIKA in Serbo-Croatian 28 May 93 p 11*

[Article by R. Pavlovic: "Fate of Former JNA [Yugoslav People's Army] Officer: Traitor, Spy, or Patriot"]

[Text] *Brig. Gen. Simeun Tumanov avoided arrest by fleeing to Macedonia, but is now demanding a pension from the Yugoslav military.*

Strange is the fate of officers of the former JNA [Yugoslav People's Army]. With the outbreak of war in Yugoslavia, some were forced to retire, while others quickly signed on with the newly formed armed forces of former Yugoslav republics and even managed to assume key positions on the staffs of the new armies.

Until May of last year, Brig. Gen. Simeun Tumanov was the number-two man in the powerful army intelligence service, the deputy to the chief of the Security Administration of the SSNO [Federal Secretariat of National Defense], Gen. Aleksandar Vasiljevic. He was retired together with a group of 38 generals and admirals who occupied top positions (in the package when Generals Zivota Avramovic, Andrija Raseta, Marko Negovanovic, and others were forced to go).

Then, in mid-July, the top man in the military security service was arrested on the suspicion that he had misused his authority, accepted a bribe, and made preparations for terrorist campaigns. Gen. Tumanov is also suspected of having made preparations for sabotage in Slovenia and Zagreb, of "plotting" with Gen. Vasiljevic. Sensing that like his boss, he would end up in prison, Tumanov fled to Macedonia.

In the meantime, the Military Discipline Court has stripped him of the rank of general. Since Gen. Vasiljevic was acquitted on all charges at his trial, Tumanov decided that this meant that he too was completely in the clear. He has sent a request to the Yugoslav military to be granted a pension.

The military is not soft-hearted, however. Quite simply, stories have circulated to the effect that the former Yugoslav general has found a livelihood in the Macedonian military, on the Main Staff, and that he has even provided it with certain confidential information.

The general has retained attorneys to prove that he has not gone over to the other side, that he is living in Macedonia as a social case.

The following dispatch arrived from Macedonia: Colonel Blagoje Gruevski confirms from military post office 2803 Skopje that Gen. Tumanov is not "employed by the Army of the Republic of Macedonia."

The attorneys then filed a complaint with the Supreme Military Court, but to no avail. The defenders announced that they will take the case to the Federal Court. They feel that although the general fled to Macedonia and thus saved his skin, he still deserves a military pension.

They say that the former Yugoslav general is not wanted in Macedonia either. At the same time that he has been declared a traitor here and it is said that he was involved in the famous "Opera" affair, in Macedonia he is under surveillance for intrigues in the new state as an "Opera" collaborator and spy.

Still, the general contends that he will return to Yugoslavia some day. His wife and son—a Yugoslav officer—are here.

Who is right?

## Macedonian Church Off Limits to SPC Bishops

*93BA1137B Belgrade POLITIKA in Serbo-Croatian 8 Jun 93 p 6*

[Article by M. Pesic: "News Conference at Vranje Bishopric: Serbian Orthodox Bishops Prohibited From Visiting Church in Macedonia"]

[Text] *Bishops Vasilije and Luka of Australia and New Zealand and Bishop Pahomije of Vranje were not allowed*

*to visit the church in Staro Nagoricane, Macedonia, a pious endowment of Serbian King Milutin.*

Vranje, 7 Jun—Yesterday, on the first day of Pentecost, three bishops from the SPC [Serbian Orthodox Church] were not allowed to visit the church in Staro Nagoricane, in the territory of the former Yugoslav republic of Macedonia, a pious endowment of Serbian King Milutin. The bishops of Australia and New Zealand, Mr. Vasilije (Beinovic) and Mr. Luka (Kovacevic) and the bishop of Vranje, Mr. Pahomije (Gacic) crossed the border with no problems, but when they arrived at the church in Staro Nagoricane, the sexton closed the church door and left.

Journalists learned about all this today at a press conference held by Bishops Vasilije, Luka, and Pahomije.

"While the sexton was closing the church door, several Macedonian policemen watched us from a nearby police station," Bishop Luka said. "The policemen were very proper and we exchanged a few words. We asked the sexton to let us in, but to no avail, because he left in a hurry. Bishop Vasilije and I came 20,000 km in hopes of seeing this church, among other things. Bishop Vasilije is a U.S. citizen, and I am Australian, but we did get our entry visas in Djevdjelija. However, the sexton did not give in. We are bishops of the Serbian Orthodox Church, but the fact that the Macedonian Church is quarreling with the SPC is a different matter. After all, where is human and religious freedom if one cannot even enter a church?"

"Finally, Father Stanisa Petrovski took pity on us and arrived, and he did not even ask for a blessing, which is the established way of communicating when high church dignitaries appear," Bishop Vasilije continued. "The priest was confused and nervous. He said that Bishop Kiril of Skopje has prohibited, in writing, entry by representatives of the SPC and that he could unlock the door only if he had written permission with Mr. Kiril's signature."

"We know who Father Stanisa Petrovski is," Bishop Pahomije added. "Here are copies of court judgments that qualify him has a nationalist and informer."

"We hope that the Serbian Orthodox Church in Macedonia will be allowed to care for its Orthodox believers, as well as for all the holy objects of Serbian kings and emperors in this territory of the former old Southern Serbia," the high church dignitaries said at the end of the press conference in the Vranje bishopric.

## Commentary Denounces Society's Lethargy

*93BA1097C Belgrade BORBA in Serbo-Croatian 29-30 May 93 p 1*

[Commentary by Momcilo Djorgovic: "Stay Cool to the End"]

[Text] When one federal deputy returns after the meeting of the Assembly to his town in the south of Serbia, his fellow citizens, after shaking his hand, put only one dramatic question, very terse, but with a great deal of implication and a corresponding turn of the head:

"And so?"

"What 'and so,'" the deputy replies.

The fellow citizens put the second question and the clarification of the first without saying anything, gesticulating with their hands with more or less this purport—What is new, what is being prepared, what is cooking and being conceived at the heart of the state, what is going to happen?...

"I have no idea," the deputy says, shrugging his shoulders, "but surely you read the newspapers?"

"Come on," a fellow citizen emits for the second time, throwing up his hand, as if to say that the deputy is hiding something and that what is written in the newspapers does not reveal what is happening to him.

This is a conversation which is being conducted even a year and a half into the sanctions, at a time of uncontrollably accelerating inflation and when the total material, political, moral, and cultural ruination is occurring to such an extent that it can be seen even with the naked eye. No one knows, or wants to know, what is actually happening, not even the SANU [Serbian Academy of Sciences and Arts], as the most visible members of the academy observed the day before yesterday at the assembly of this highest national intellectual institution. That is, even the academy has only now, when it needs some money, decided magnanimously to "look for answers to some of those questions." And why? Because it has occurred to the Serbian immortals "and the people expect that of it." As a matter of fact, to some extent they are not even wrong, because that nation whom its intellectuals have mystified to this extent (the great Serbian culture, the great Serbian history, the people that created the first state in the Balkans) has dedicated itself entirely to passive disposition, to fatalistic suspense in a restrained attempt to penetrate its destiny.

So, the citizens do not know, the deputy does not know, and they do not believe the newspaper, which nevertheless has been recording rather faithfully our unbending ruination. SANU is only now preparing to learn (after 52 weeks of sanctions and two years of the chaos of war). It seems that the world community could not have been more successful in finding a people who, with its greater satisfaction and "cool" attitude to the point of stupidity, has accepted such serious sanctions and prepared with indifferent readiness a destiny that is reduced to the economic and spiritual level of the primordial society, to hunting and fishing and elementary barter. Even those who imposed the sanctions are more concerned about their tragic consequences than we ourselves, ready as we are to live out all of the social pathology of a backward

country, to renounce the achievements of modern civilization and the dignity of the European at the end of the 20th century, reconciled to the fact that epidemics and diseases long ago conquered can cut us down, and the white plague can cut us in half.

We prefer to commit ourselves to burning up siphoned gasoline (90 percent of the patients in the Clinic for Plastic Surgery experienced precisely that) than find the will and the awareness to cause those social upheavals that would result in a policy that would eliminate the causes of ruination. It is easier for us to send children with university degrees into the world to drudge at the simplest jobs than with their help to bring about conditions to work at what we projected as our own and their future. Instead of clearly defining the circumstances we are in and seeking to change them at any price, attempting to catch the train of world change, our federal and republic deputies are traveling to half-empty assembly chambers where they pass increasingly restrictive laws, striving to implement the sanctions as effectively as possible from the border to domestic life, while at the same time their voters are every day invading the Akropolis train, which is carrying livestock and poultry just slaughtered, eggs, flour, brandy in suitcases and baskets—headed for Skopje. While the SANU is preparing to answer "the questions," asking that a secured and inexhaustible "national fund of Serbia for science" be established for it so that "science and culture would be protected from political stresses, from informal and anonymous voluntarism," teachers on Revolution Boulevard in Belgrade are standing behind "counters" made of cardboard cartons after school to sell books from their own library, souvenirs from their apartments, tableware, to sell soap, shampoo, and toothpaste which they have bought, in a state of stress from humiliation and police pursuit. Could the Memorandum in its time have been able to foresee that?

After so many years of glorious history and mature culture, the present-day Serb has consented to not even know where his state is, nor where it is going, nor what his own life is—accepting to be a small smuggler, gambler, and prey of private banks and savings banks, a clever fellow on a small scale whose resourcefulness is more and more being guillotined every day by the merciless rise of prices. Anthropologists and psychiatrists will perhaps one day be able to explain this strange inertness of ours and this unprecedented inclination to masochism, which instead of combating, the state is successfully supporting, if there is a state at all of which to speak and not just the will of one single man.

The intelligentsia is defeated by its own lack of intelligence, the Serbian political parties have drowned in the petty quarrels of their leaders, and the most silent among them is the largest one, which is in power but is not governing, which is guaranteeing legitimacy to that form of power which verges on general anarchy. Only here and there does some scandal break out, evidencing total corruption, but even that does not manage to awaken a slumbering nation which looks upon all of this, even the organized plundering of its own pockets and the crime which is around it more and more, as a dream, as a performance in which we are not the principal actors, content that our silent anxiety is deeper than our hope. The slogan "Serbia is waking up" has been forgotten long ago.

Following the collapse of Serbian liberalism in the early seventies, Serbia seems not to have been able to articulate its interest and find a way of pursuing it. Hobbled by the worst features of its tradition, imprisoned in conservatism, instead of a liberal, albeit brief, experience, Serbia is opting for the model of enduring 400 years under the Turks. As matters stand, it will take that amount of time—400 years—to ferment our present state into a lucid conception of reality and an awakening of forces to shed a national objective which has made us so stupid and for flight from the freedom of smugglers and petty delinquents.

## Jugoskandik Depositors To Be Compensated

*93BA1091A Belgrade POLITIKA in Serbo-Croatian 25 May 93 p 13*

[Article by Zoran Simic: "Solving the 'Jugoskandik' Enigma in the Pozarevac Way: Court Concludes Proceedings for Seven Savings Depositors"]

[Text] *From the 300,000 liters of gasoline sold to "Beopetrol" in Jagodina, a total of approximately 300,000 marks must be paid to the first savings depositors with final rulings; the deal was organized by Belgrade attorney Predrag Jankovic, an expert in "collecting debts"; executive judge of the Pozarevac Opstina Court Dragan Soknic: "Everything is being done in accordance with the law."*

Pozarevac, 24 May—For a week now, the "Jugoskandik" enigma has once again been at the center of public attention in Pozarevac. The "Jugoskandik" [word indistinct] is slowly unraveling. We have reported that the Pozarevac Opstina Court, at the request of approximately 400 "Jugoskandik" savings depositors, or rather its business office in Pozarevac, has impounded an enormous amount of goods in warehouses across Serbia, that the goods have been placed under court bail, and that the depositors will be compensated from their sale. The news is that the Pozarevac Opstina Court has legitimately "proclaimed" its jurisdiction in this matter because "Jugoskandik's" headquarters are located here, which means that the local jurisdiction clause has been applied. What is the essence of the entire action being pursued by the Opstina Court here?

Dragan Soknic, the executive judge of the Pozarevac Opstina Court, said today that "everything is being done in accordance with the law, the goal being to compensate as many depositors as possible...."

"As of today, 24 May," Soknic says, "the court has 670 complaints or petitions for settlement, while 250 judgments and settlements have already been handed down (these are express rulings, because the value of the goods

could decrease due to excessive inflation—Z.S.) in favor of the depositors. More concretely, the first petitions for execution have also arrived. This involves seven depositors who were the first to file complaints or petitions; this was first done by the family of Milojko Popovic of Belgrade (five members) as well as Petar Tutavac and Miodrag Stevic. The total amount that must be paid to them from the sale of the goods held in trust by the court is approximately 300,000 marks...."

**Still a Small Amount**

The first depositors must be paid from sold gasoline—300,000 liters sold to "Beopetrol" in Jagodina, but that amount is not even enough for the first seven. Specifically, it has been confirmed to us that the gasoline was sold at 70 pfennigs a liter, which is approximately 210,000 marks. It has also been confirmed that there have been minor problems and one shot fired by the security detachment at a "Jugoskandik" warehouse during the acceptance of medicine, and that the service of transporting and warehousing the goods as well as the workers were provided by and the work was done by "Bambi" in Pozarevac, and that all the workers at that factory, together with others, were among the first to file petitions for settlement—having learned from the example of their director, Petar Tutavac. The value of the 60 metric tons of medicine and goods at "Bambi" and "Zitostig" warehouses in Pozarevac has not yet been estimated, but it is alleged that it is no more than 3 or 4 million marks.

How were the settlements made, who organized the job, and who will gain access to their deposits in "Jugoskandik"? The entire job, I have learned, was organized by Belgrade attorney Predrag Jankovic, who is reportedly an expert in "collecting debts" and who "revealed" the location of the goods and practically offered the "job" to the Pozarevac Opstina Court. It is said that he invested a great deal of money in preparations, so that he collects—immediately—from depositors who sign a power of attorney over to him 30 marks or 10 liters of gasoline, "applicable to already incurred expenses." It is interesting here that the same office in Pozarevac is occupied these days by the aforementioned attorney Jankovic, who is trying to "collect" debts from "Jugoskandik," and attorney Aca (Stanojevic), who, it has been confirmed, has been empowered by the new management of "Jugoskandik" (Borivoje Nastasovic, director, Srdjan Spasic, assistant, and Dragoslav Spasic, assistant) to represent the interests of "Jugoskandik". To put it quite simply: Attorney Predrag Jankovic is seeking to compensate depositors for their debts, while attorney Aca Stanojevic is agreeing to this before the court and in conjunction with this also carrying out the settlements.

We have also learned that the "Jugoskandik" goods were impounded and placed under bail by the Pozarevac Opstina Court most of all because it was already a "done deed" that they would be sold to a private individual in Kula for only 1,050,000 marks. There is a record of this at the court in Pozarevac. It is likely that the 60 metric tons of medicine will be sold to the Serbian Ministry of Health, about which we were informed by the new management of "Jugoskandik" DD, which was registered in the Belgrade Economic Court on 22 April of this year. The question being raised by the majority of small depositors, however, is whether there will be enough money to compensate all of them. Probably not, because the entire "Jugoskandik" system, which is "[puko]," owes around 320 million marks, with the Pozarevac business office alone owing around 17 million marks.

"That question is hard to answer," says executive judge Dragan Soknic, "because we now have information, people are notifying us that there is still plenty of uncovered 'Jugoskandik' property in certain locations. The settlements and payments will be carried out in the order that the complaints or petitions for settlement arrived at the court. To repeat—for now this is the only legal, legitimate way to get at the savings deposits or part of them. With regard to the anonymous memoranda according to which the first people to get settlements include employees and judges with this court—I am not aware of that, because I only get documents for execution, or rather for payment, and as you can see none of these seven cases is a judge. It is possible that there are some judges among the 250 concluded judgments and settlements, but surely a judge too has the right to demand his own...."

**Trace of Suspicion**

Nevertheless, there is a trace of suspicion felt by ordinary depositors who did not know what to do and who did not know about the "job" of attorney Jankovic from Belgrade, especially after hearing that seven judgments have already been executed and that as early as tomorrow the seven—until yesterday co-sufferers—could be paid approximately 300,000 marks. Confusion has also been aroused by the aforementioned anonymous note sent Thursday to 80 addresses in which mention is made of enormous sums in executed settlements for almost the entire "establishment" of the Opstina Court and their families. Specifically, it is alleged—and it was not possible to verify this today, because presiding judge Jovan Stanojevic and his assistant Djordje Rankovic are in Prizren—that the settlements were performed by the wife of the presiding judge, Biljana Stanojevic, Judge Dragna Radulovic, the assistant to the presiding judge, Djordje Rankovic, his brother, Milan Rankovic, Judge Milica Paric, Judge Suzana Djordjevic, deputy public prosecutor Dragana Jovanovic-Gagovic, Petar Tutavac, the director of "Bambi" (confirmed), Trifun Pantic, the director of the Health Center, Vidoje Mladenovic, the former okrug public prosecutor, and a "sizable elite from Belgrade...."

The only way to get at the money deposited in "Jugoskandik"—or a new deception of the majority of depositors—will be seen shortly.

**[Box, p 13]**

**I Was...**

"The truth is," says Dragan Soknic, the executive judge of the Pozarevac Opstina Court in the "Jugoskandik" case, "that I was a co-owner of the private enterprise 'Center Agency' together with Aca Stanojevic. I was the enterprise's co-owner and legal counsel, but as opstina secretary for urban planning, I gave up that job on 18 November of last year, after I was reelected judge to the Opstina Court. It is purely coincidental," Soknic continues, "that I am now the executive judge in a dispute in which Aca Stanojevic is the legal counsel for 'Jugoskandik.' Finally, I have this to say: We are not doing any business together for the benefit of 'Center Agency.'"

## More Details on Private Bank Scandals

*93BA1126B Belgrade BORBA in Serbo-Croatian 4 Jun 93 p 12*

[Article by B. Petrovic and B. Stepanovic: "Who Are Our Fledgling Bankers? When Cafe Cooks Open Banks"]

[Text] *Who are our fledgling bankers, whose business, after a year of "flourishing," suddenly began to wither and leave behind their plundered, gullible depositors who, lured by high interest rates, had invested their money en masse? After the collapse of several savings institutions and "banks," it turned out that their owners are people who have had little contact with banking and finance.*

The majority of the 1,500 financial organizations registered over the past year have officially operated as savings banks and savings and loan cooperatives. Without exception, however, all of them have accumulated foreign-exchange savings, offering astronomical interest rates, an activity in which organizations of this kind, in fact, cannot engage under the law.

### Rajka, Also Known as Stefani

The first to be arrested, right after Boss Jezda had fled the country, was Zorica Kokar, the owner of the private enterprise "Kokar," which was believed by the public to be a savings bank. Zorica Kokar has a high-school education, and worked in one of "Beobank's" records departments. She also owned the enterprise "Nemeks," dealing in decorative pottery, which was founded in late January 1992. She has a month left of the four-month prison sentence that she received; her dealers are also serving time. Savings depositors suffered damages amounting to approximately 3.5 million German marks [DM]. The highest interest rate that she promised (it is unknown whether she paid it) to her depositors was 80 percent, because she desperately needed money for "a tanker of petroleum that is waiting at the border."

Stefani Aleksander, as the owner of "Interstefani Bank" (registered as a savings and loan cooperative) called herself, was known as Rajka before that financial organization opened. Her last job had been as a cafe cook for Jezdimir Vasiljevic. She quickly learned that it is easy to master the basic techniques of the "banking business," so that she came up with the idea of opening her own "bank." She copied the model of her ex-boss and fled with around DM1 million, which private citizens had deposited with her. She was last seen in a Podgorica bar, and then somewhere on the coast. Since she stopped business in a big hurry, she did not even contact her fiance and business partner, while her voice on her telephone answering machine has informed depositors that she is "neither in Cyprus, nor in Malta, nor in Italy."

The owner of the savings bank "Business Center," Olga Jovicic, also a cafe cook and cosmetician by profession, did not manage to flee in time, because police arrested her and threw her into Central Prison. There, she has tried to convince investigators that she is not of sound mind, so that now she is in the Central Prison hospital. Thus far, there are no exact figures on how much money she took from depositors, but it is estimated that the 1,800 accounts are worth around DM13 million. Of that amount, she spent DM2 million on her house on Proletarian Brigade Street in Belgrade and another DM50,000 on jewelry.

### Savings Bank for "VIP's"

For now, there are no reliable indications of what has happened and what is going to happen to the owner of the "Zanti" savings bank, Dragica Vicentic. She was recently tried by the Third Opstina Court, and we have learned that she was known to police from previous times. What is strange is that the financial police have still not surveyed the financial situation of the savings bank, the business dealings of which have been examined. The amount of money involved can be estimated on the basis of the fact that it had 2,500 accounts, with DM3,000 as the minimum deposit. "Zanti" was known to depositors (while it was in operation) for having many "VIP" clients. Otherwise, before opening the "bank," Dragica Vicentic was employed by the SDK [Public Auditing Service] in Stari Grad, where she has been on sick leave since November of last year. It is believed to be one of the "banks" that accumulated the largest amount of money.

The notice provided by "Zanti" to interested parties says that "the savings bank cannot continue its dealings in foreign exchange because of changes in legal regulations, and the payment of deposited money will begin on 15 July only in terms of returning money amounting to the received principal, without interest." It is likely that she will have to clarify to judicial institutions how her savings bank was even able to begin dealing in foreign exchange, something that it was not supposed to be doing even before the "changes in legal regulations."

Milan Grdeljevic, the owner of "Kir Janja," completed math high school and wrote computer programs. At one point, it occurred to him that he could earn money dealing in petroleum. He accumulated DM1 million from gullible citizens, and then admitted that his oil deal

had fallen through. He was arrested and then transferred to the prison hospital, because he has throat cancer.

Branka Demic, the owner of "Aleksander Bank," fled with her money before the police were able to catch her. It has not yet been determined how much money is involved, but she clearly has less than DM1 million. Before opening her bank, Branka Demic had a travel agency, and later she founded "Aleksander Bank" together with her father Ilija Demic, the owner of the ABC trading firm. For a while, she paid private citizens high interest rates, and then finally fled to parts unknown with the remaining money.

## Serbia

### Seselj Defines Goals, Criticizes Authorities

*AU2406105893 Belgrade POLITIKA in Serbo-Croatian 17 Jun 93 p 7*

[Stana Ristic report on an interview with Vojislav Seselj, leader of the Serbian Radical Party; place and date not given: "Without a Coalition Joint Government of the Socialists and Radicals"]

[Text] Whether the Serbian Radicals are "destined" to be in the center of politics, or they impose themselves, is difficult to answer, but the fact is that the media quite frequently pay attention to them. Are Seselj's representatives going to support the present federal and republican governments, or are they going to help bring about their fall? What will happen then? How do the Serbian Radicals view the settlement of the Yugoslav crisis anyway?

We discussed all these issues with Vojislav Seselj, Radical leader.

#### Overthrow of the Federal and the Republican Government Is Risky

"We have not still decided whether to support the present federal and republican governments. The situation is quite difficult, complicated, and risky. Only one thing is clear—the Serbian Radicals will make a decision based on the interest of our people," Vojislav Seselj, chairman of the Serbian Radical Party [SRS], resolutely says.

What does it mean when one says that the situation is risky?

The Serbian Radicals believe that all three governments—Federal, Serbian, and Montenegrin—are weak: Their results are as good as no results at all. "It is a great risk to let weak governments go on with their poor work, but it may be even a greater risk to overthrow them in a political situation as confusing as ours," Seselj claims.

Of course, the Radicals have tried to find the answer to the following: What will happen if the Federal and the Serbian Government fall?

Seselj believes it is not certain that the present coalition between the Socialist Party of Serbia [SPS] and the Democratic Party of Socialists of Montenegro in the Federal Government will survive in the future. Even some other possible coalitions are hardly able to present a positive solution, because there are too many contradictions.

In the case of the downfall of the Serbian Government, according to Seselj, there are several options, but none seems to be a good solution. One option is that the SPS might form a minority government again, but in that case it would have to provide a much more convincing platform than before to win the support of the SRS. However, it is doubtful whether the SPS could prepare such a platform.

"Theoretically, a coalition between the SPS and the SRS is also possible. Still, such a government would not be able to function in practice because of the great differences in the political, economic and social platforms of our two parties. Not even this time would the SRS agree to enter the coalition," Seselj says.

According to the Radicals, the worst option for the Serbian people would be a coalition between the SPS and the Democratic Movement of Serbia [DEPOS]. Most probably, nobody would believe in a sudden affection between these two, who hated and opposed each other so implacably not long ago. If this miracle were to happen, the Radicals would criticize both of them. As for other opposition parties, a coalition of the SPS with Micunovic's Democratic Party, or Agoston's Democratic Community of Vojvodina Hungarians, or Arkan's representatives is only a theoretical possibility....

"There is a possibility that the assembly might be dissolved because of the crisis in the government, and new extraordinary elections might be announced. The Radicals are not afraid of new elections, but they do not want to be the reason for them, because Serbia is tired of elections," Seselj says.

#### The Crisis Will Last

Everything that has happened to us is a consequence of a long-lasting crisis. According to the Radicals, the crisis will last even longer. One should not harbor illusions about any impending improvement....

"We are not going to sit here with our arms folded. We shall criticize governments, and force the authorities to change their behavior. We shall attack bad concepts and solutions, and point to failures," Seselj stressed.

Obviously, the Radicals are not yet ready to seize power, because, apart from authority, their seizure of power would also mean responsibility.

If they believe that there exists a solution for the crisis, but in the long run only, then the question is: What will happen in the long run? According to the Radicals, they will go for fundamental changes in the federal and

republican constitutions. They will also go for strengthening the jurisdiction of the federal state in relation to its federal units. They will build up a federative model similar to that in Germany, and also make possible privatization....

Toward the end of the conversation, we returned to existing problems. The Radicals demand the rationalization of distribution, limitations on spending, discipline, the suppression of criminality and corruption, responsibility, and effective social protection for the elderly and other endangered social groups.

Proof that the SPS and the SRS are different is the attitude of the Serbian Radicals toward foreign affairs. They are against any negotiations while the UN sanctions are in force.... The same applies to the most recent negotiations in Geneva.

The assessments and intentions of the Radicals are very important for our political scene. According to Seselj, the Radicals have never been on the margins of political events, but always active protagonists since the time that they started their work, when they called themselves the Serbian Freedom Movement, then later the original Serbian Renewal Movement (without Vuk Draskovic) and then the Serbian Chetnik Movement.... The media blockade against the Radicals may only be ephemeral. "I do not see how the president of the republic [Milosevic], even if he wanted to, could remove the SRS from the political stage. He may succeed in removing us only if the SRS makes a cardinal political error itself," Seselj maintains.

## Serbian Organizations Prepare European Congress

*93BA1137A Belgrade POLITIKA in Serbo-Croatian 8 Jun 93 p 4*

[Article by Miroslav Stojanovic: "Before First European Congress of Serbian Patriotic Organizations: End of National Divisions"]

[Text] *Dr. Misa Milosevic: The time has come to put an end to the tragedy of national history and create the conditions for entering into modern times; the congress of European Serbs in Frankfurt will be presided over by Milorad Pavic; a congress of Serbs of the world will be held in late September in Belgrade, Sremski Karlovci, Pec, Podgorica, Knin, and Banja Luka.*

Bonn, 7 Jun—The first European congress of Serbian patriotic forces will be held in Frankfurt on 12 and 13 June of this year.

We discussed this event—the official title of which is already eliciting pronounced interest, even though it has not yet been adequately publicized—Dr. Misa Milosevic, the president of the World Serbian Community, a nongovernmental and nonpolitical international organization, and a permanent representative of Serbs outside the FRY at the United Nations in Geneva, which is entrusted with organizing the Frankfurt congress.

Dr. Milosevic first discussed the organizational and practical reasons and challenges that gave rise to the idea to hold the first European congress of Serbian patriotic organizations. Probably because the organization led by the World Serbian Community is, as he says, an exclusively "operative organization" ("thus we also have plenty of successes...") and because more ambitious strategic projects of national proportions should be left up to institutions of the caliber of the Serbian Academy of Science and Art, the Serbian Orthodox Church, the Writers Association, and official state institutions.

### Four Million Serbs in the World

However, this does not mean that the upcoming Frankfurt congress, the first in a series of continental congresses (preparations are being made for similar congresses of Serbian organizations in the United States, Canada, and Australia) prior to the aforementioned world congress at the end of September, is devoid of ambitions of this sort, on the contrary. The seventh and last point of business on the proposed agenda for the first day of the Frankfurt congress is a discussion of the "national program and Serb unity" as initiatives by Serbs in the diaspora.

For this point, preparations are being made for a special collective report on "certain components" of a unified national program, which would be formulated by the most important institutions in the country, with the help and suggestions of Serbs outside the country, and which would be adopted at the congress of world Serbs in Belgrade.

Of course, Dr. Milosevic still does not know what this program will look like, but he talks about the aim and belief that it should put a definitive end to Serb divisions and splits and declare the "general ambition" as a symbolic act.

Finally, Dr. Milosevic says, we must put an end to the tragedy of our history, so that the Serb nation can begin a new day and modern times that supersede all local situations and events, regardless of how tragic, situations and events that in the final analysis are ephemeral for the destiny and future of a nation. We must prepare for the next century and come up with new ways of communication, not only with the rest of the world but also among ourselves. This inauguration of Yugoslavia into modern times will be successful only if a real link is established between Serbs in the fatherland and in the diaspora. Without that, everything will be more difficult and more painful....

Mr. Milosevic sets out one condition for the establishment of this real link: A final break must be made with the presence and policy whereby Serbs in the diaspora are "second-class" citizens and "semipatriots," toward whom suspicion has been expressed and police surveillance has been exercised for decades. Dr. Milosevic is

convinced that this policy is still in force and that the time has come to discontinue it, and an appeal in this regard to the Serbian and federal governments will also be issued from Frankfurt. He speaks of the unbroken loyalty and solidarity of the four million Serbs scattered around the world ("in numbers, the second Serb republic...") who are "carrying the fatherland on their own shoulders" during these difficult times: Eighty percent of all medicine comes from Serbs in the diaspora, Mr. Milosevic emphasizes, noting also the major financial assistance as well as aid in the form of food and other necessities.

Dr. Milosevic also sees traces of the old policy in one detail that is important to Serbs in the diaspora. We have asked, he says, that the Ministry for Relations with Serbs Outside Serbia be headed by a person with whom Serbs in the rest of the world can identify and who would respond to entreaties and appeals, a respected and nonpartisan person. For example, they would like to see in this post academicians Milos Macura, Radovan Samardzic, Matija Beckovic, or writers Brana Crncevic, Moma Kapor.... Another idea that will be raised in Frankfurt is that based on the example of other countries citizens in the diaspora—such as France, for example—a certain number of seats in the federal and other parliaments be reserved for representatives of Serbs living abroad.

**Permanent European Centers**

In preparing for the Frankfurt congress, the basic idea is that a little organizational coordination and relevance be added to the strong activity of the various Serb clubs and associations in European countries. The aim is to create permanent European centers for coordinating various activities, with permanent offices and personnel. The European center for humanitarian activity and assistance would thus be in Frankfurt, while the center for information and media activities would most likely be in Paris, the center for the protection of human rights would be in Brussels, and the one for protecting the cultural legacy of Serbs in the diaspora would probably be in Sweden.

The congress in Frankfurt will be presided over by academician Milorad Pavic, a figure who in many ways should symbolize the basic message of this meeting, which Dr. Milosevic summarizes thus: "Whether or not they like us, we are a creative nation with our own artists and geniuses. At this time, Pavic is the best affirmation of this fact, but naturally we were also thinking of our brilliant painters in European centers and other artists. Right now, however, Pavic is our 'most important and greatest window on the world.' Despite the sanctions, his books are still being translated and published. Translations of his books have just been published in the United States, Sweden...."

Also expected at the congress are representatives of the Emigrants Society, the Red Cross organizations in Yugoslavia, Serbia, and Montenegro, the Serb republic [of Bosnia-Herzegovina], and the Serb Republic of Krajina [as published]. Their official representatives, and especially representatives of the Serbian Academy of Science and Art, the Serbian Orthodox Church, the Serbian Matica, and the Serbian Literary Society.

## Macedonia

### President Gligorov Views Balkan Situation

*PM2206142093 Stockholm SVENSKA DAGBLADET in Swedish 21 Jun 93 p 5*

[Report on interview with Macedonian President Kiro Gligorov by Richard Swartz in Skopje; no date given]

[Text] Skopje—Kiro Gligorov is the president of a state that is fighting for international recognition, and most observers are agreed that a Macedonia without the experienced Gligorov would have had a much more difficult task than it already has.

UN recognition of the new state is in a sort of diplomatic dry dock. Of its neighbors, Greece and Serbia still refuse to recognize Macedonia, Albania has recognized it without any great enthusiasm, and Bulgaria has done so with reservations—the state yes, but not a Macedonian nation. All its neighbors express the view more or less openly that they have interests to defend in the multinational Macedonia, by tradition the most dangerous center of unrest in the Balkans.

"It ought really to be in our neighbors' interests to recognize us as soon as possible," Gligorov said with a malicious smile.

"If they deny our state and identity, it is likely to end with them starting to fight each other—just like before—because they cannot agree on how the Macedonian prize is to be divided between them."

Gligorov spoke of his own state with cautious optimism: The economy is in crisis (but better than in Albania or Serbia), and the "peaceful coexistence between Macedonians and the many national minorities is working well"; the Albanians—at least one quarter of the population—form part of the government and are represented through four different parties. Unlike Kosovo, Slavs and Albanians have never been in open conflict in Macedonia, claimed Gligorov, who is worried about Kosovo:

"As long as the problems there cannot be solved there is the risk that Macedonia will be drawn into a larger Balkan war. But I do not believe in a direct Serbian attack. What would Serbia gain from such an attack? Since the 'Yugoslav' army withdrew from Macedonia, Belgrade is no longer proposing that we should join some sort of new south Slav state. I imagine that a majority of Serbs are actually prepared to leave us in peace; Macedonia does not stir up their feelings in the same way as Kosovo or Bosnia.

"If we were drawn into a war, it would happen in indirectly. An open conflict in Kosovo between Serbs and Albanians would mean that a stream of Albanian refugees would pour across our borders. Here in Macedonia the situation would become untenable; the Albanians would give their fellow countrymen in Kosovo help. Help would also come from Albania. A major war in the Balkans would be a fact."

Recently Gligorov met Serbian President Slobodan Milosevic—the first meeting between them since the war broke out in Bosnia. The meeting took place at Milosevic's request, in Ohrid in Macedonia, and there Milosevic tried to deter Gligorov from allowing U.S. soldiers on Macedonian territory. Gligorov did not fall in with Milosevic's request; with the U.S. presence the Macedonian president has achieved what looks like a guarantee: Behind Macedonia stands the United States.

The man who exports the war to Macedonia must expect the military intervention which failed to materialize in Bosnia.

Asked by Gligorov why Serbia does not recognize Macedonia, Milosevic is supposed to have replied that Serbia did not want to betray its "only friend," Greece. Greece still refuses to recognize a largely Slav state under a name and a flag to which Athens thinks it has sole rights.

At the same time Gligorov stressed Serbia's need for peace and said that Milosevic personally is aware that he himself needs it. Initially the economic sanctions against Serbia helped him to strengthen his position, but now they are having a devastating effect on the population and are therefore an acute threat to him. The average salary in Serbia is reported to have fallen to less than 200 Swedish kronor a month—10 times less than two or three years ago. And Belgrade has to feed and equip the Serbs in Bosnia and Krajina with arms—people who "now have nothing to do"—and this is an economic burden which is helping to increase the political tensions between them and their fellow Serbs in Serbia proper.

"Milosevic knows about all of this. That is why he needs peace, but he told me that he cannot achieve it alone. What do I think? We will just have to wait and see. Milosevic has changed his mind so many times in the past that everything he says has to be taken with a pinch of salt.

"But Milosevic is the only one who could put and end to the war in Bosnia. He is the only politician worth negotiating with. The rest of the world can forget all the rest—Radovan Karadzic, Mate Boban, even Alija Izetbegovic. The case of Izetbegovic is really tragic because there cannot be any doubt that it is the Muslims who have been hardest hit by the Bosnian war. But Izetbegovic has nothing to offer, just a stream of refugees. He is a very lonely man. And the only thing he can do is to ask for help."

Gligorov is very cautious in his criticism of the rest of the world's approach to the war in Bosnia, perhaps because it is precisely in his own Macedonia that Washington seems to have drawn the line on what it is prepared to accept. The responsibility for the Bosnian war is to be found in the former Yugoslavia, among "the six republics which tried to find a solution, but did not succeed in doing so."

According to Gligorov, Serbia bears the greatest responsibility. The vast majority of crimes must be put down in the Serbians' account, even though all sides are guilty. The guilt of the surrounding world lies chiefly in the fact that it held peace negotiations at such a leisurely pace that the Serbians "were able for force their own solution with gun in hand." It would be very difficult to intervene now and almost impossible to counteract the ethnic cleansing that has taken place. The use of force has been accepted in silence as a tool for achieving political results, and Gligorov fears that this could have repercussions even outside Bosnia's borders:

"If the Serbs are now allowed to implement their program to unite all Serbs in one and the same state, why should not the Croats or the Albanians demand the same? If in the Balkans such a program were accepted in principle, it would mean a war which would never end. For my own part I do not know a single ethnically homogeneous state in Europe, but this is nothing when compared with the Balkans—the Balkans are just one large patchwork quilt! Anyone starting to pull it this way and that will only achieve a war, a permanent war."

In diplomatically cautious terms Gligorov commented on his Greek and Bulgarian neighbors' reluctance to recognize the existence of a Macedonian nation. Macedonia has a long list of shared interests with Greece and the present conflict is chiefly of "an emotional nature." Relations with Bulgaria are "normal," and Gligorov thinks that Bulgarian President Zhelyu Zhelev really has made honorable efforts to revise Sofia's former stance on the Macedonian nation, but said that the subject is very sensitive in Bulgaria: Influential circles, "indoctrinated by the past," still firmly claim that the Macedonians are in fact Bulgarians. In contrast to this Gligorov pointed to the 1991 Macedonian census—when 258 citizens registered themselves as Bulgarians.

Just like Milan Kucan in Slovenia Gligorov had hoped that democracy and a market economy could have given Yugoslavia a new legitimacy. Gligorov himself proposed a new "union" of sovereign states, but "neither Serbia nor Croatia proved to be ready for this." Also, Europe reacted far too late. When the EC finally realized that Prime Minister Ante Markovic's market-oriented program represented the last chance to save Yugoslavia, the economic support it offered him was nothing more than pin money. Markovic was forced to resign; the six republics had by then already begun to accuse each other of mistakes for which they themselves were responsible.

"The war came like a letter in the mail. Everyone now has to be involved in it and pay the price. And much too much blood has flowed for Yugoslavia ever to be able to rise again in the future."

## Montenegro

### DPS Supports SPS Nomination for Yugoslav President

*LD2306153993 Belgrade TANJUG Domestic Service in Serbo-Croatian 1306 GMT 23 Jun 93*

[Text] Podgorica, 23 Jun (TANJUG)—The Democratic Party of Socialists [DPS] of Montenegro today supported the Serbian Socialist Party's [SPS] proposal that Zoran Lilic, current chairman of the National Assembly of the Republic of Serbia, be elected to the post of president of the Federal Republic of Yugoslavia. [passage indistinct]

### Montenegro: Free Economic Zone Proposed

*93BA1101F Belgrade EKONOMSKA POLITIKA in Serbo-Croatian 24 May 93 pp 23, 24*

[Interview with Stanislav Cano Koprivica by Mijat Lakicevic; place and date not given: "A Shortcut for Europe"]

[Text] *In six years the national income in Montenegro could jump to $10,000; there is no pore of society that this idea does not affect; a free economic zone cannot be built on social and state property.*

Talking about free zones today in Yugoslavia, condemned by the world community to a sort of prison, really sounds like a bad joke, to put it mildly. On the other hand, the fact is that every article of ours on this subject has encountered unexpected interest from the public, or at least the narrower, expert-managerial public. Thus last week, precisely while we were preparing this interview, a letter came to our editorial office from Vukovar asking us to help organize a round table on "Vukovar—a Free Zone." If it is just up to us, we are willing to do even more.

Stanislav Cano Koprivica, of course, is a figure who does not need any particular introduction to the readers of EKONOMSKA POLITIKA. From the biography of Monteks's founder and the director to this very day of a firm that for years simply represented a trademark of the entire Montenegrin economy, it is perhaps less well-known that he was, if not the originator, at least the one who revived the idea of the Bar free zone, and the first director of the free zone in Bar. Today he mostly lives in Vienna, and is in a position to monitor events in the world market, capital flows, etc., from up close, which is not possible today from this country. These were the immediate reasons for us to devote this interview with Mr. Koprivica to the idea of "Montenegro—a Free Zone."

[Lakicevic] It seems inevitable for us to start this interview with a question about its meaning, i.e., what point there even is in having a conversation about Montenegro as a free economic zone if Yugoslavia, and thus also Montenegro, is under the international community's sanctions.

[Koprivica] There is an end to everything, and so there will also be an end to the economic, social, and political troubles that rule this country; I do not know when it will be, and I do not want to be any sort of prophet in this regard, but I am not an adherent of waiting. Consequently, I do not think that we should fold our hands now and wait for the situation to be cleared up, and then we will start to think about what to do and how. After all, what we do well now will be left for our descendants, because even the idea of establishing a zone in this area is not new. Back in 1905 King Nikola made a treaty with the Italian government on founding a duty-free zone in Bar. Seven or eight years ago we started the construction of a free zone in Bar with the idea of expanding it to half of Montenegro's territory or even all of it. It never got started in practice, however, because the Montenegrin authorities did not have any sympathy for it at that time.

No one today is thinking of forming a free economic zone in Montenegro in the present situation. It is necessary to make preparations, however, and to perform analyses of how useful that idea is and how feasible it even is. And that is a tremendous job that implies an economic analysis of the current situation, what happened in the past, and a projection of the future. In my opinion, it needs whole teams of experts—lawyers, economists, engineers, experts on the tax system, services, trade.... Those analyses should also contain data on the conditions provided by neighboring countries, because the competition in this area will be very severe. It is only on that basis that one can prepare a theoretical—and then, if that idea proves to be justified—a comprehensive and detailed project for Montenegro as a free economic zone.

Next, it is very important to prepare the citizens of Montenegro, and also of Serbia, to know what a free economic zone is, what it brings, and what it requires. And I must say that those requirements are not small. That orientation and organization of the economy requires changing the school system, social welfare.... For instance, why have a construction school in Podgorica if Montenegro needs 30 engineers a year, when such a school already exists in Belgrade? Paying for that education is much cheaper than keeping an entire school. On the other hand, however, a philosophy school, where all the world languages would be taught for such an economy, is essential....

[Lakicevic] Does Montenegro have the personnel to carry out that job, which is extensive in every respect?

[Koprivica] They do not have to be Montenegrin personnel for that; they can be European, Serbian; actually Belgrade institutes are working the most on this business already. There are no countries today that are closed and can remain closed and be economically independent; today everyone is dependent upon everyone.

[Lakicevic] From all indications, you support the idea of Montenegro as a free economic zone. Why?

[Koprivica] I think that no deep analyses are needed to determine that on one hand Montenegro is extremely undeveloped, and on the other hand, a country gifted with extraordinary potential. Montenegro's natural conditions are far more favorable than in some other countries like Cyprus, Liechtenstein, Singapore, Hong Kong, etc. There are mountains, rivers, canyons, the sea, lakes, different climates, and extraordinary conditions for fruit and vegetable production and livestock breeding. Montenegro has a good geographic position, and is close to the main European and world routes.

Today Montenegro is losing $140 million in income from maritime transportation and $120 million from tourism, i.e., a total of $260 million. When Montenegro's economy was operating at full steam, it needed $240 million to maintain that level. Who has the right to take that away from its citizens? No one, including the Assembly that they elected. Only they themselves can forgo it, and I do not know that they have. That is why I even think that this idea should also go to a referendum so that the citizens can decide on it directly. Previously, however, as I already mentioned, the press and especially television should really inform the public objectively about what is involved. It is high time to stop spreading the war psychosis and start to tell people about the things that they really live on, what can bring them progress.

I maintain that $400-500 million can be quickly earned through tourism. You have scientific, rural, mountain, and nautical tourism. Let anyone show me a territory that is more suitable for developing all these industries. That means that the tourist season in Montenegro can last for nine or ten months, instead of the two that it does now.

Next, in connection with the above, all agricultural production in Montenegro should support the production of healthy food, which is a real hit in the world. Montenegro is simply a God-given place for that. You cannot have an ecological state and the production of alumina simultaneously, however. I personally think that Montenegro needs neither a steelworks nor an aluminum combine. When I publicly said that seven or eight years ago, however, I barely escaped with my life; what sort of idea is it to destroy a steelworks with 7,000 workers or an aluminum combine with 5,000 workers? But today both of them are closed. Imagine if those resources had been used for what we were just talking about.

[Lakicevic] Every socialist state had to have some large system, though.

[Koprivica] Why not have a system of tourism, a system of services, trade? Let's not just talk about the past now, however. I am convinced that in a period of six years Montenegro could achieve a national income of $10,000 per capita. Imagine what a jump that is. That is the fastest and shortest way for us to join the developed world, a shortcut to Europe. I do not see any better way, and I do not know that anyone else could propose anything else.

[Lakicevic] Clearly there are great possibilities, but the problems, I would say, are no smaller—there is no telephone connection, the roads are bad, the coast is without water....

[Koprivica] An investment group has to take that into account; telecommunications have to be created, every village has to have a telephone connection with the world, roads have to be built, and one more airport, in Ulcinj. For instance, I think that it is necessary to build a railroad line so that a train can go down the Kotor and Risan side; that would be world attraction. Naturally, neither Montenegro nor Serbia has the capital for it, but I am certain on the basis of the information that I have that capital is barely waiting to come into this area.

A big obstacle to the realization of this idea is ignorance about zones and development in general. It will not be easy at all to change those views. In the second place, it will be hard for people to start working. Today no one is working, the factories are closed, money is being stamped, and people have gotten used to living without working. Perhaps the biggest problem, however, will be social and state property, because they have shown that they are a brake on development, i.e., a complete restructuring of the economy is needed. Likewise, that idea cannot be realized by those who are in favor of the war option. Those who profited from the war and enriched themselves overnight by exploiting this period of lawlessness will also be against this kind of idea.

[Lakicevic] There are opinions that advocating this idea means supporting Montenegrin separatism. Many people see such interpretations as the biggest danger to fulfilling it.

[Koprivica] I really do not see why that idea should be separatist in any respect, and I do not see why it should be against Serbia's interests in any way. On the contrary, especially if we bear in mind that a market economy should intertwine the interests of these two economies and link these two peoples even more. That does not mean, however, that there will not be problems in the sense that some parties will manipulate this idea and exploit it for their own political purposes.

On the other hand, I do not think that anyone has the right to prevent another from working and developing. Two brothers divide their property; why would I kill myself if my brother wants to kill himself?

[Lakicevic] You said a little while ago that capital was just waiting to come into Montenegro. On the other hand, one can hear the thesis that those who think that capital is rolling down the streets are mistaken, that perhaps that was the case a year or so ago, but that the situation today has changed considerably.

[Koprivica] Those are uninformed people. I can responsibly tell you that there is capital, in virtually unlimited amounts, and you will hear very soon, very, very soon, that enormous capital is going through the former Soviet Union. Part of it could have come here if we had been smarter and not done what we did. I guarantee you that on the basis of the facts, and the conversations that I had during the past year with both banks and foundations, and with individual major capitalists and their associations. A great deal of capital has left Italy and is being offered to Europe and the world; I won't go into its sources, that is not important, what is important is that it is going through banks. It is not yet time to talk about it, but I can tell you that enormous amounts of money are ready to come into Montenegro, that major projects are involved, and that it is only waiting for a favorable moment, i.e., the end of the war and the elimination of the danger of war in this region.

**[Box, p 24]**

[Lakicevic] What can Monteks do for the idea of Montenegro as a free economic zone?

[Koprivica] With its experience and contacts, its representations and firms, Monteks can bring capital, and bring interested firms; Monteks can do a lot to fulfill this idea. Naturally, this is provided that we have a legal system, that economic freedoms and the security of investments are guaranteed.

Under these wartime circumstances, however, investments cannot yield anything. Montenegro cannot be developed as a free economic zone if there is a soldier at every step. It cannot even be developed as an ordinary tourist country, much less anything else. In the present situation, it does not enter my mind to start investing or to call some partner to invest jointly in a free zone in Montenegro.

## Terrorist Assassins of Muslims Still at Large

*93BA1106B Belgrade VREME in Serbo-Croatian 24 May 93 p 16*

[Article by Velizar Brajovic: "Attacks on the Muslims: A Shot in the Back"]

[Text] Even bursts fired on the van of Muslim workers of the Wood Industry Combine did not satisfy the desire of the war scenarists of provoking interethnic conflicts in Montenegro. What did happen, however, just before midnight on 17 May in the village Zenica near Pljevlja was the most serious kind of warning to the authorities, to the army in particular, to finally begin to do what they must do and which is their reason for their existence in any state. Firing on people has begun, and the blood that has been shed, it is quite certain, could easily evoke a reaction which up to now has not been evoked even by the hundred or so explosives that have been thrown on the property of Muslims in the northern part of Montenegro, especially in Pljevlja, nor blowing up the mosque in Niksic and the firing on the houses of Muslims in the same city, nor making a cross with rifle bullets in the minaret of the Husein Pasa Mosque in Pljevlja (this was done by members of the police), nor the kidnappings, murders, and expulsion of Muslims from the village Bukovica, nor the kidnapping of Muslims from the train on the Belgrade-Bar railroad.

### Terrorist Orgies

Since last year, the Montenegrin police have constantly been repeating that stereotypical "the investigation is under way." Not a single terrorist has been uncovered so far, and the legendary Chetnik major and federal deputy, Ceko Dacevic, has so far slipped away and evaded justice, in spite of the charges that he "is responsible for most of those crimes." Finally, all the citizens and parties of Niksic and Pljevlja have reacted unanimously to the most recent terrorist orgies. The Serbian Radical Party in Pljevlja has also reacted with the message that in these "difficult moments we should not look at the interests of parties, but do everything to preserve the peace."

The van was carrying 15 Muslims on the second shift. It was attacked at the same place where the prestigious citizen Adem Cengic was shot and killed on his bicycle exactly 50 years ago. Fastidious chroniclers of events in Pljevlja noted that there is a system to the attack on the Muslims and their property, that the places and anniversaries of former Muslim places of execution are being chosen. That evening, the van was "ethnically clean," and all the Muslims came precisely from Ceko's village, Odzaci. Usually, two Orthodox men from Odzaci traveled in that same bus, but, our sources have said, they were not there that evening—no one knows how to explain how or why. It is a fact, however, that because of the terrorist attack all the workers of the wood combine, regardless of nationality, are embittered. The city is also embittered, as is all of Montenegro. It is clear now that war could flare up even in this republic, that no one is safe any longer and that the same fate could befall anyone.

### Reprisal

The ground is slipping out from under the extremists. They want revenge for expulsion from Vilusi, for Montenegro's change of policy, for the increasing difficulty of crossing the border of the former Bosnia and Herzegovina. Someone wants to set the Muslims and Montenegrins at odds in Niksic, who have lived in harmony side by side since back in the last century when King Nikola liberated that city and begged all the distinguished Muslims not to move out, but to stay, guaranteeing them all the rights possessed by Montenegrins. Niksic's old settlers are particularly embittered by the recent events, especially because of the fact that in that city neither of the two mosques bothered anyone in any past war. In an interval of several days, the terrorists have fired on five Muslim houses and placed explosives, ineptly to be sure,

under the mosque's minaret. But the minaret has suffered minor damage. Glassed-in areas of the health center, which is 10 meters away, have been damaged. Fortunately, there were no human casualties, and even the good interethnic relations have not been disrupted, because the citizens and authorities reacted quickly—they held a meeting with representatives of the Muslims and the Islamic religious community.

Readiness to finally put a stop to the evil has been expressed more vigorously than ever before at a similar meeting in Pljevlja. The dental clinic was blown up because a Muslim worked in it, and for quite some time the Serbs and Montenegrins have been warning the elder of the Husein Pasa Mosque in Pljevlja that there has been talk in the coffeehouses where "hardened fighters for the Serbian cause" gather about possibly blowing up one of the most beautiful and valuable monuments in all the Balkans. In recent days, there have also been telephone threats. Fear has been instilled throughout Montenegro: On two occasions, teachers have emptied the schools in Niksic and Budva after an anonymous report that a bomb would soon be exploded. After all that has happened, no one is foolish enough to believe that the alarm will be false every time.

Dr. Bogdan Drobnjak has issued a demand from Pljevlja that the police finally begin to do their job and that the army collect weapons from reservists distributed during the wartime mobilization.

One person from Pljevlja has said in a letter to President Momir Bulatovic: "I am sick of the unbridled authorities and armed bands. Please do not torture us any longer, just set us on fire as quickly as possible!"

## Kosovo

### Serbian-Montenegrin Forces Installing Mines

*AU2306151593 Tirana Radio Tirana Network in Albanian 1330 GMT 23 Jun 93*

[Text] The Serbian-Montenegrin military forces that have been stationed in the Zhure Valleys for days have lately started to install mines in the areas of these valleys.

The Serbian forces explain these activities by the alleged need to conduct training exercises with troops. They have created great difficulties for Zhure inhabitants who cannot cultivate these large areas of land. The many complaints by the Zhure people are not considered at all, the Serbs stressing that these measures are taken in the interest of the country's defense against foreign aggressors.